

JPRS-LAM-87-035

4 MAY 1987

Latin America Report

SPECIAL NOTICE INSIDE

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

SPECIAL NOTICE

Effective 1 June 1987 JPRS reports will have a new cover design and color, and some reports will have a different title and format. Some of the color changes may be implemented earlier if existing supplies of stock are depleted.

The new cover colors will be as follows:

CHINA.....	aqua
EAST EUROPE.....	gold
SOVIET UNION.....	salmon
EAST ASIA.....	yellow
NEAR EAST & SOUTH ASIA...	blue
LATIN AMERICA.....	pink
WEST EUROPE.....	ivory
AFRICA (SUB-SAHARA).....	tan
SCIENCE & TECHNOLOGY.....	gray
WORLDWIDES.....	pewter

If any subscription changes are desired, U.S. Government subscribers should notify their distribution contact point. Nongovernment subscribers should contact the National Technical Information Service, 5285 Port Royal Road, Springfield, Virginia 22161.

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

4 MAY 1987

LATIN AMERICA REPORT

CONTENTS

BAHAMAS

Ingraham: Pindling Tries To Avoid 'Embarrassing' Questions (Athena Damianos; THE TRIBUNE, 18 Mar 87).....	1
Opposition FNM Maintains Criticism of Pindling's Actions (THE TRIBUNE, 18, 23 Mar 87).....	3
Isaacs Press Conference, by Anthony Forbes	3
Reaction to Throne Speech, by Athena Damianos	5
No-Confidence Motion	5
FNM Outlines Party's Positions on Major Issues (THE TRIBUNE, 12, 23 Mar 87).....	8
Economic Revitalization	8
Coping With Drug Trafficking, by Anthony Forbes	9
Security Minister Describes U.S. Help in War on Drugs (Anthony Forbes; THE TRIBUNE, 19 Mar 87).....	11
Security Minister Repeats Drug, Arms Charges Against FNM (Anthony Forbes; THE TRIBUNE, 10 Mar 87).....	13

BOLIVIA

Labor Ministry's Plan To Focus on Unemployment (PRESENCIA, 12 Mar 87).....	15
Measures Proposed To Cut Wheat Imports (PRESENCIA, 11 Mar 87).....	17

Road Construction Projects Receive Top Priority (PRESENCIA, 6 Mar 87).....	18
Briefs	
Regional Farm Study Report	19
Peasant Market Completion Sought	19
Agricultural Technical Assistance	20
IDB Financing	20
BRAZIL	
Air Force Article Compares Sarney With Allende (O ESTADO DE SAO PAULO, 14 Mar 87).....	22
Income Tax Declaration Deadline Extended (Brasilia Radio Nacional de Amazonia Network, 15 Apr 87).....	23
Briefs	
Coffee Stock Placed on Market	24
Oil Found in the Amazon	24
Mini Devaluation	24
DOMINICA	
Charles Address to Hucksters Mentions Antigua, Guadeloupe (THE NEW CHRONICLE, 20 Mar 87).....	25
Opposition Leader Hits 'Manipulation' of Voting Boundaries (BARBADOS ADVOCATE, 17 Mar 87).....	27
Regional Security System Forces Stage Local Exercise (Anthony Andre; THE NEW CHRONICLE, 20 Mar 87).....	28
EL SALVADOR	
MAN Poses Questions to U.S. President Reagan (EL DIARIO DE HOY, 23 Feb 87).....	30
Briefs	
New Envoy to Guatemala	33
Poll Shows U.S. Aid Keeps Duarte in Power	33
GUATEMALA	
PDCN Calls for Removal of Economy Minister (PRENSA LIBRE, 28 Feb 87).....	34
Fiscal Deficit Decreases by 50 Percent (EL GRAFICO, 28 Feb 87).....	35

External Debt Reaches \$2.5 Billion (EL GRAFICO, 28 Feb 87).....	36
First Lady's Solutions Sharply Criticized (Solares Jr.; EL GRAFICO, 19 Feb 87).....	37
Population at Risk of Infection From Returning Immigrants (Editorial; PRENSA LIBRE, 2 Mar 87).....	39
Alleged Sale of Baby Organs Deplored (Alvaro Contreras Velez; PRENSA LIBRE, 6 Feb 87).....	41
New Laws Sought To Thwart Illegal Trafficking of Children (Editorial; PRENSA LIBRE, 17 Feb 87).....	44
Lampert States Democracy 'Good for Business' (PRENSA LIBRE, 23 Feb 87).....	46
HONDURAS	
Work of Organizing PSDH Continues (TIEMPO, 1 Dec 86, 29 Jan 87).....	47
National Executive Committee Installed	47
Formation of Municipal Committees	49
Briefs	
\$25 Million BCIE Loan	50
NICARAGUA	
Misurasata 'Leader' Accepts Amnesty (EL NUEVO DIARIO, 23 Jan 87).....	51
Consultations on Constitution Not 'Referendum' (BARRICADA, 26 Jan 87).....	53
Problems in Education Noted (BARRICADA, 26, 27 Jan 87).....	54
1,700 Teachers Quit	54
Deterioration of School Buildings, by Roberto Fonseca	54
Student Population Figures	55
Canadian 'Farmers for Peace' Donation (Felix Rivera; EL NUEVO DIARIO, 25 Jan 87).....	57
Briefs	
Managua Census Resumed	59

PERU

Report on Danish Vessel 'Pia Vesta' Completed (EL COMERCIO, various dates).....	60
Details of Report	60
Criticism of Report	62
Further Details, Criticism	64
Third Esteban Pavletich Youth Brigade Leaves for Nicaragua (EL NUEVO DIARIO, 9 Jan 87).....	66
Briefs	
WFTU Honors CGTP Leader	67
Tractors for Huancavelica	67
Voter Registration Card Fees	68
Government Appointments, Resignation	68
FRG Computers for Electroperu	68
Luis Negreiros To Head APRA	68
Constitutional Court Appointment	68

/12223

INGRAHAM: PINDLING TRIES TO AVOID 'EMBARRASSING' QUESTIONS

Nassau THE TRIBUNE in English 18 Mar 87 p 1

[Article by Athena Damianos]

[Text]

PRIME MINISTER Pindling's latest attempt to duck an embarrassing discussion on secret payments he received by proroguing Parliament will not succeed, Cooper's Town MP Hubert Ingraham said today.

"The truth cannot be hidden and the high-handed method which Pindling chose to stifle public discussion on wrongdoing will not succeed," he said.

"We will still have an opportunity to talk about Pindling's close friend's two trips made to Colombia to talk to Joe Leher."

Sir Lynden prorogued the House late yesterday, ostensibly so that St Barnabas MP-elect Dr Matthew Rose can be sworn in when the new session starts Monday.

By proroguing, Sir Lynden cut off a highly embarrassing debate on the appointment of a select committee for a Code of Conduct for MPs with special reference to conflict of interest, the acceptance of gifts and influence peddling. Mr Ingraham was to continue his address this morning.

But he said that he will still have an opportunity to talk about:

- Substantial US cash payments that were used in the construction of Pindling's house, some of which have been made public, some of which have not.

- Gifts from the Victor Sayaah/Sorkis Webbe group, some of which have been made public, some which have not. In Parliament Mr Ingraham linked the group to the mafia.

- Payments from the Port Authority, some of which have been made public, some of which have not.

- Crow Hill Development Ltd and the substantial sums paid by Stephen Kraft purportedly for land in South Andros, one of which was made in 1986 and which has not been made public.

"The current move will not prevent public discussion because most of these things are true and they don't need to be said in the House for the public to know. The fact of the matter is that Pindling has seriously compromised the office of Prime Minister for the same reason - and more - why he thought the UBP should retire from public life for offending public decency," Mr Ingraham said.

"Pindling's paid a high price in political terms to avoid a discussion on my Resolution (for a committee) which I never seriously expected the House to pass anyhow."

This is the third time that Sir Lynden has ducked discussion on wrongdoing, Mr Ingraham said.

In 1984, he cancelled a meeting at which wrongdoing was to be brought up and "in my case I got fired before a new meeting was scheduled," Mr Ingraham said.

He refused a request by 12 PLP backbenchers to meet with them over the issue and now he has prorogued Parliament to avoid debate on wrongdoing, Mr Ingraham said.

Government's excuse for proroguing simply does not hold water, he said.

"I don't know of any circumstances where Parliament has been prorogued in the middle of a debate on any current matter before the House. It's clear to me that Pindling wanted to terminate the debate because he would have found it personally very embarrassing if the debate was continued," Mr Ingraham said.

"For a man who has been the recipient of substantial payments in excess of \$1 million from the Port Authority and who is on record as having found the acceptance by Sir Roland Symonette, his predecessor in office, of \$14,000 from the same Port Authority which he termed a grave injustice against the Bahamian people, to now have to stand up and defend himself against the same charges must have been very embarrassing."

Sir Lynden had said at that time that "in the interest of public decency they (UBP ministers) ought to retire from public life."

"Pop (Symonette) had gotten only \$14,000 and Pindling has gotten substantially in excess of \$1 million," said Mr Ingraham.

As a PLP Cabinet Minister, Cecil Wallace-Whitfield had said that Sir Stafford Sands (UBP Minister of Tourism, deceased) was "the greatest gangster the country knew."

One of the offences that was disclosed by the Commission of Inquiry into gambling consultancy fees in the late 60s was that the money was secretly channelled to Sir Roland. This is precisely what happened in the case of Sir Lynden, Mr Ingraham said.

In 1968, Sir Lynden said that only one man in the UBP had the courage to say that the UBP made a mistake and wanted to know how other members of the UBP could condone the consultancy agreement.

"Well, who in his (Pindling's) party has had the courage to condemn him? I did and I got kicked out," Mr Ingraham said.

Last week, Sir Lynden said that the House would meet around the clock to complete the agenda so that Dr Rose could be sworn in at the new sitting, Mr Ingraham said.

"What happened since last Wednesday to cause Mr Pindling to change his mind. The only thing was because I moved for my committee. It had nothing to do with Dr Rose. It was to avoid debate on my matter," Mr Ingraham said.

OPPOSITION FNM MAINTAINS CRITICISM OF PINDLING'S ACTIONS

Isaacs Press Conference

Nassau THE TRIBUNE in English 18 Mar 87 pp 1, 4

[Article by Anthony Forbes]

[Text]

PRIME Minister Sir Lynden Pindling and his Government through their own "trickery" worked themselves into a position from which they could only escape by proroguing parliament, Official Opposition Leader Kendal Isaacs charged today.

Mr Isaacs said that by his own high-handedness, trickery and a succession of legal and political miscalculations, the Prime Minister has put himself "out on a limb" with no way off except to jump and further bruise his already shredded credibility and integrity.

At a press conference today, Mr Isaacs charged that the Prime Minister is using the St Barnabas fiasco to manufacture issues against the Opposition to divert public attention from the main problems of corruption, drug abuse, crime, unemployment and victimization.

Mr Isaacs was responding to a charge by the Prime Minister that parliament was prorogued because the Opposition has stubbornly refused to allow Dr Matthew Rose, MP-elect for St Baranabas, to take his seat in the House of Assembly.

"My colleagues and I reject this allegation by Sir Lynden and we would like to make it quite clear that it was the Prime Minister and his Government who by their own trickery worked themselves into a position from which they could not be extricated other than by prorogation," Mr Isaacs said.

Also attending the press conference were senior members of the party including Yamacraw MP Mrs Janet Bostwick, Shirlea MP Pierre Dupuch, High Rock MP Maurice Moore, Marco City MP C A Smith, Inagua-Mayaguana MP Vernon Symonette, Blue Hills MP Arthur Foulkes and FNM Senate Leader J Henry Bostwick.

Mr Isaacs said that the whole affair started with Government's decision to hold

a bye-election in St Barnabas in a manner that was contrary to the provisions of the law.

"They ought to have known - and certainly they were told by us before the fact - that what they intended to do was not in accordance with the law," Mr Isaacs said.

He said that nevertheless Government went ahead and held the election, wasting the tax-payers money and causing the Opposition to expend valuable energy and resources.

Mr Isaacs said that the FNM appealed to the Elections Court that ruled that the Opposition was right and that the bye-election was a void.

"PLP propagandists, instead of apologising to the nation for their bull-headedness and contempt for the law, attempted to ridicule the FNM for going to court," he said.

Mr Isaacs said that the PLP then went through another exercise in St Barnabas which did not much interest the FNM as the party had succeeded in exposing one of the tricks the PLP had concocted for the all-important general elections this year.

He said that at the meeting of the House soon after the second bye-election, he and his colleagues arrived at the House to find that there were ZNS Radio and Television microphones, cameras and lights in place.

"Now, they had to know that, according to the House

rules and the point we were at on the agenda, Dr Rose could not be sworn in without the unanimous consent of members to waive the rules," the Opposition Leader said.

Mr Isaacs said that Deputy Prime Minister Clement Maynard had previously consulted with him on the telephone as to whether the Opposition would give their consent to have Dr Rose sworn in.

"I told him I would have to consult with my colleagues and get back to him," Mr Isaacs said. "I indicated to him before the meeting started that we would not give our consent."

Mr Isaacs recalled that last December, again without consultation with the Opposition, Government failed to televise and broadcast the Budget Communication and the Opposition's response as in previous years.

More recently, he said, FNM Deputy Leader Cecil Wallace-Whitfield, gave notice of a bill to amend the Representation of the People Act but did not immediately table a copy of the bill.

"We implored the Government to give their consent to proceed with the second reading of this important bill which had been allowed on the agenda by the Speaker, the Hon Sir Clifford Darling," he said. "The Government refused to give their consent but proceeded to deal with their own bill to amend the Representation of the People Act."

"It is against this background that the Opposition chose to withhold its consent and thereby allow the agenda to run its course," the Opposition Leader said.

He noted that at the last

meeting of the House, the Boundaries Order was the next item to be dealt with when the Prime Minister announced that he would not proceed so that the agenda could be completed and a new meeting scheduled at which Dr Rose would be sworn in.

Again, said Mr Isaacs, the Prime Minister did not consult with the Opposition in advance but took it for granted that they would go along.

He said that there were, on the agenda after the Boundaries Report, many other items of which members of the FNM and Coopers Town MP Hubert Ingraham had given notice.

He said that in the months preceeding the Opposition had co-operated fully with the Government by not moving any of these items and allowing the agenda to run out so the Government would be able to deal with its important business, including a bill relating to drug trafficking and the bill to amend the Representation of the People Act.

Mr Isaacs said that since the Prime Minister decided not to proceed with the Boundaries Order at the March 11 meeting, Mr Ingraham "very rightly" decided to proceed with one of his motions which was next on the agenda.

He said that the motion was for the appointment of a select committee to consider a Code of Ethics for Members of Parliament.

Mr Isaacs said that Mr Ingraham addressed the House on his motion until the luncheon suspension and it was obvious that he was into a major assault on the Government and the Prime Minister and about to level new charges of corruption.

He said that after being ap-

proached by the Prime Minister following the luncheon adjournment, Mr Ingraham "very graciously" offered to discontinue his presentation so the Prime Minister would have time to consider his options, and the House was suspended for a week.

"Since the last St Barnabas bye-election the Government has caused the House to suspend for several weeks when it suited their convenience," Mr Isaacs said. "Seating Dr Rose did not seem to be an urgent consideration at those times."

"It is our view, therefore, that the Prime Minister and his colleagues were not all that interested in filling a vacant seat in the House," Mr Isaacs said.

He pointed out that the South Beach Constituency has for many months been virtually without representation since the PLP Member of Parliament, Edward "Bobby" Glinton, very seldom shows up for meetings and hardly ever participates in the proceedings.

"No, it is not that the Prime Minister is so interested in filling another seat but the whole St Barnabas fiasco seems to him another opportunity to manufacture issues against the Opposition in order to divert public attention from the main issues which are still corruption, drug abuse, crime, unemployment and victimization," Mr Isaacs said.

"The Prime Minister through his own high-handedness, trickery and a succession of legal and political miscalculations, has put himself out on a limb with no way off except to jump and further bruise and batter his already shredded credibility and integrity," Mr Isaacs said. "Hence the pro-rogation."

Reaction to Throne Speech

Nassau THE TRIBUNE in English 23 Mar 87 p 1

[Article by Athena Damianos]

[Excerpts]

GOVERNMENT is vindictively punishing the Opposition because it exercised its right to block St Barnabas MP Dr Matthew Rose from taking his seat. Pine Ridge MP Cecil Wallace-Whitfield suggested in a new session of Parliament this morning.

Breaking tradition, Government set the date for the new sitting of the House to Wednesday to coincide with the FNM's national convention.

"This is a calculated and deliberate attempt on the part of the Government to sabotage the national convention of the minority Opposition," Pine Ridge MP Cecil Wallace-Whitfield charged.

If this is not the case, then he expected Government to say that an election date has already been set for within the 30-day period.

This is the first known time that a sitting has been scheduled

to coincide with a political convention. The FNM's four-day convention opens Tuesday night.

Mr Whitfield made his remarks shortly after the new session of Parliament opened this morning.

In less than three minutes, Governor-General Sir Gerald Cash had read the Speech from the Throne in the Senate. Dr Rose was then sworn in as the newest member of the House of Assembly.

The shortness of the speech drew chuckles from Opposition Members.

Mr Hanna later told the House that the Speech took him by surprise "it was so short."

After Dr Rose was sworn in, both Government and Opposition members gave notice that they would flood the new agenda with requests for Bills for Acts, Resolutions and Select Committees.

No-Confidence Motion

Nassau THE TRIBUNE in English 23 Mar 87 pp 1, 4

[Text]

OPPOSITION Leader Kendal Isaacs today gave notice that he will move a Resolution of no-confidence against the Prime Minister during the next sitting of the House of Assembly.

Montagu MP Orville Turnquest has asked for a select committee to investigate serious allegations made by Cooper's Town MP Hubert Ingraham as to the truth or untruth of evidence the Prime Minister gave to the Commission of Inquiry about monies he received for shares in Bahamas Caterers.

He has also asked for a Resolution that Attorney General Paul Adderley, by publicly

withdrawing from Government's acceptance of the Commission of Inquiry report, has violated the policy of collective responsibility.

These are among a number of notices tabled by the Opposition today.

Also, St Agnes MP Kendal Nottage (PLP) gave notice that he will ask for a select committee to look into the truth or untruth of statements Messrs Isaacs and Turnquest gave to the Commission of Inquiry concerning the hiring of Project Masters, Justice International and, in particular, the activities of Morgan Cherry.

Mr Nottage said he will also

ask for a committee to look into the questionable sale of the Banco Ambrosiano premises on East Bay Street.

The following are some of the notices tabled this morning by members of the Opposition:

Opposition Leader Kendal Isaacs wants:

- A committee to enquire into all matters connected with certain serious criminal allegations, which were made by Mr Nottage at a P.L.P. rally on December 4, 1986, when he charged that the FNM, which comprises members of the House, are engaged in stockpiling an illegal cache of weapons and ammunition, stored partly at Grand Bahama and partly at Andros, and that he knows the locations of these secret armories.

- A Resolution that the House is of the opinion that the Member of the House of Assembly and of the Senate found by the recent Commission of Inquiry to have been involved in or to have facilitated the smuggling of drugs, or to have received payments directly or indirectly from drug traffickers or smugglers, or to have received other questionable payments or loans, are guilty of a grave crime against the people of The Bahamas, are hereby condemned, and ought to retire from public service.

Resolved further that this House is of the opinion that the recommendations made by the Commission be implemented and the necessary action be taken forthwith.

Mr Orville Turnquest? Mr Isaacs or Mr Whitfield want:

- The appointment of Select Committee to inquire into all matters connected with the establishment of a Public Trust or Charity for the benefit of residents in the Family Islands to be known as "The Family Island Development Fund", with special reference to any and all bank accounts established for the operation of the trust and to account for the source and disposition of all monies contributed to and paid out of the Family Island Development

Fund, with power to send for persons and papers, with leave to sit from place to place, and with leave to sit during any recess.

- To take into consideration all matters relating to Bahamas Caterers Limited and any involvement or interest therein of former or present Ministers of the Government, with particular reference to the serious allegations made in the House by Cooper's Town MP Hubert Ingraham as to the truth or untruth of evidence given by the Hon Prime Minister at the Commission of Inquiry with regard to monies received in respect of the sale of shares in Bahamas Caterers Limited, with power to send for persons and papers, with leave to sit from place to place, and with leave to sit during any recess.

- A Resolution stating that:

"Whereas the Right Reverend Drexel W Gomez, Lord Bishop of Barbados, was on the 28th November, 1983 appointed on the advice of the Government of The Bahamas as one of the three Commissioners appointed to comprise a Commission of Inquiry into Drug Trafficking in the Bahamas.

"And whereas by the letters patent authorising such appointment the Government expressly declared that it reposed great trust and confidence in the zeal, discretion and integrity of the said Bishop Gomez;

"And whereas notwithstanding that certain Ministers of the Government did affirm the trust and confidence of the Government in the integrity and high ability of Bishop Gomez during the debate in this House when the report of the Commission of Inquiry was accepted, nevertheless the Hon Attorney General has recently made certain public declaration questioning and impugning the good name, integrity, reputation, moral judgment and ethical behaviour of Bishop Gomez in respect of findings made by Bishop Gomez in his minority report;

"Be it resolved that this House does not approve of the

said pronouncements by the Attorney General and condemns his attack on the right Rev Drexel W Gomez as unfair, unwarranted and untrue.

"Whereas the Hon Attorney General in a public declaration which was broadcast to the nation on the occasion of the 1986 annual convention of the governing party stated that it was a myth and a falsehood that the government had accepted the report of the Commission of Inquiry into Drug Trafficking in The Bahamas;

"And whereas the said report was presented to Parliament on the 14th December, 1984 and was subsequently debated in this House over several days during which both the Hon Leader of the House as Minister of Tourism and Foreign Affairs and the Hon Minister of National Security categorically declared that the Government had accepted the said report.

"And whereas the recent pronouncement by the Hon Attorney General is in complete contradiction to the formal position of the government as declared to this House by the two ministers of the Government as aforesaid.

"Be it resolved that the Public pronouncement of the Hon Attorney General is a public reversal or withdrawal on his part from the formal position of this Government, and is contradictory to the declared decision of the Government as pronounced by his Cabinet colleagues:

"Be it further resolved that the Hon Attorney General has by his public action withheld his support from the decision of Government as expressed by his Cabinet colleagues, thereby infringing the principle of collective responsibility and being in violation of the policy requiring consensus amongst all Government Ministers unless a dissenting Minister resigns as a Minister of Government.

Shirlea MP Pierre Dupuch will move for Resolutions:

- that the Minister of Finance consider the advisability of providing a sufficient sum of

money for the purpose of purchasing shields necessary for the proper administering of Chemotherapy at the Princess Margaret Hospital.

- to investigate the cause and effect of industrial pollution in the island of Grand Bahama with power to send for persons and papers and with leave to sit from place to place and with leave to sit during the recess;

- To consider ways and means by which members of the general public might be fully informed and educated concerning AIDS and the prevention of the spread of AIDS within the Commonwealth of the Bahamas with power to send for persons and papers and leave to sit from place to place and with leave to sit during the recess.

/9317

CSO: 3298/184

FNM OUTLINES PARTY'S POSITIONS ON MAJOR ISSUES

Economic Revitalization

Nassau THE TRIBUNE in English 12 MAr 87 p 1B

[Text]

A KEY responsibility of any government is to manage the economic health of the nation in such a fashion to ensure that every citizen has an equal opportunity to obtain productive work in his homeland, stated the Grand Bahama Free National Movement members of Parliament.

"In this responsibility the PLP Government has failed and failed miserably for today after 20 years of mismanagement of our economy more Bahamians are unemployed and underemployed than at any other time in our history," they said.

In a recent press statement, MPs Cecil Wallace-Whitfield (Pine Ridge), Maurice Moore (High Rock) and C A Smith (Marco City) revealed their economic development plans for Grand Bahama.

They said Government must accept "full and total responsibility" for the high rate of unemployment "for, it was because of their lack of planning, their harsh immigration and senseless economic policies and their inept managerial ability that we find our country and especially Grand Bahama in such a state today."

They pointed out that every year approximately 5,000 high school graduates join the labour force and so, just to keep pace, no less than 5,000 jobs per year must be created.

"It is our firm belief that Freeport and Grand Bahama must be the key element in any strategic planning which will create the jobs our nation needs," they said. "We therefore commit that under an FNM Government we will exploit the natural resources of the Bahamas, especially Grand Bahama in order to feed, house and provide jobs for our citizens."

The FNM's plan for the revitalisation of the economy of Freeport and Grand Bahama includes the promotion of Freeport as the key industrial centre of the Bahamas. This approach, the FNM parliamentarians said, will complement the New Providence tourist and commercial sector and broaden the base of the Bahamian economy.

In pursuit of that objective, an economic and industrial development council headed by a top level professional reporting directly to a cabinet minister will be established to seek out and attract manufacturing/commercial ventures whose objectives will be consistent with that of Government's long range development plans.

The advantage of incentive legislation such as the Hawksbill Creek Agreement, the Industrial Encouragement Act, the Hotel Encouragement Act, the Lome Convention and the Caribbean Basin Initiative

programme, will be actively exploited to the benefit of both the Bahamas and the investment community, the Grand Bahama FNM parliamentarians said.

All dis-incentive legislation including the Acquisition of Immovable Property by Foreign Persons Act, will be abolished, and all of the concessions under the Hawksbill Creek Agreement will be guaranteed and extended to the year 2054, they said.

Special legislation will be created to attract wealthy and retired persons to own personal homes in Freeport and the Bahamas. This category of persons will be granted permanent residence status upon the approval of their investment.

The charter of the Development Bank will be broadened, the opposition parliamentarians

said, to include the provision of both expertise and financing to small Bahamian entrepreneurs at business development rates rather than bank rates that are presently in effect.

They said that legislation will be enacted to encourage and promote a local stock exchange in order that Bahamians will have access to a local capital market.

"Our commitments will be planned and deliberate, but we will honour our commitment for we believe that that intangible commodity, confidence, is the key ingredient to national economic development," the MPs said.

A "substantial amount" of the revenue collected in Freeport will be returned to Grand Bahama to promote in-

dustrial development, thereby creating new job opportunities for Bahamian citizens.

All goods manufactured in Freeport will be available to the Bahamian market at a preferential rate of duty.

Spouses of all Bahamians will be granted the automatic right to work and care for their Bahamian families.

The missile base complex at Gold Rock Creek will be converted to a residential high school and a local form of government will be established on Grand Bahama to allow local citizens to make local decisions, the FNM members said.

"We are committed to the improvement of the quality of life for all Bahamians and we believe that access to job opportunity is a must for all citizens," the MPs stated.

Coping With Drug Trafficking

Nassau THE TRIBUNE in English 23 Mar 87 p 8

[Article by Anthony Forbes]

[Text]

A FREE National Movement Government will do everything in its power to rid the country of drug trafficking and abuse which has led the outside world to look on the Bahamas as the "cocaine islands," Official Opposition Leader Kendal Isaacs pledged at a rally Thursday night.

Addressing over 800 supporters at the Golden Gates Shopping Centre, Mr Isaacs said that if necessary, a Minister of State or a Parliamentary Secretary whose only responsibility would be to deal with drug trafficking and abuse, would be appointed.

According to Mr Isaacs, the campaign to achieve those ends will be funded by the Treasury.

The Opposition Leader told the rally that drug trafficking and drug abuse will be one of the principal issues in the coming general elections.

Mr Isaacs then referred to the Channel 7 news programme on Wednesday night in which a US Customs pilot told NBC News Correspondent Brian Ross on the "Today Show" that at least 90 per cent of the marijuana and cocaine smuggled into the United States still comes through the Bahamas.

"You know what should have saddened every Bahamian was the fact that we are perceived by the outside world...the outside world perceives the Bahamas as the cocaine islands," Mr Isaacs said.

"Now that is what this Government has brought us down to. Our neighbours and other people look on us as the cocaine islands," he said.

"Now that's a reputation that we of the Free National Movement will have to do something about," he said.

"I pledge myself and the future Government of this country that we will do everything within our power to rid this country of the scourge of drug trafficking and drug abuse," he said.

"I would go so far as to say that if it is necessary to appoint a Minister of State or a Parliamentary Secretary whose only responsibility is to deal with drug trafficking and drug abuse, then it will be done," the Opposition Leader said.

"And the campaign to achieve those ends will be funded by Government out of the Treasury," he said.

Mr Isaacs said that too long has the Government been relying on volunteers to do this "most important" work.

"I understand that very little money is given to the (National) Drug Council to deal with drug abuse," he said.

"And that means saving the lives of young people and not so young people because drug abuse has taken hold of this country and once that happens it is very, very difficult to do something about it," Mr Isaacs said.

"Unfortunately, as Dr (David) Allen (Chairman of the Drug Council) has said, drug abuse has become endemic to the Bahamas and he means by that that it is something that is taken for granted as a way of life," Mr Isaacs said.

"And if that is so, then we are in serious trouble and I want the word to go out from one end of the Bahamas to another that we are going to do something about this come hell or high water," Mr Isaacs said.

Mr Isaacs said that another issue the FNM is going to bring to the Bahamian people is the scourge of unemployment.

He said that there are thousands of young people who are unemployed and at the end of every school year, thousands more join the job market.

And yet, after 20 years of Government by the PLP, they have to admit that unemployment is a problem that they have not been able to solve after 20 years," he said. "All we get from this Government is promises and promises and promises."

He exhorted every Bahamian to remember that the PLP Government has been in power for over 20 years.

"And if they have not done what is needed to be done in those 20 years, then you can ignore any promise that they make just before the next election because that promise is obviously being made just to fool you, hoping that you will be fooled to vote for them one more time," he said.

In addition to unemployment, Mr Isaacs said that there are many other things that need to be done.

"First of all, in putting the people back to work, we need a plan that will embrace every out island in the Bahamas, we have to examine each island and determine what kind of industry is best suited for that island, and if it requires training young men and women, and not so young men and women, in order to take their places in the industry in the islands from which they came, then that training will be done," he said.

Mr Isaacs said he and his colleagues are convinced that they will attract investments, not just foreign investments, but local investments, because they believe that the majority of Bahamians and a vast number of prospective investors would love to come to the Bahamas under an FNM Government.

"And I know it can be done and I know that we rid this country of the scourge of unemployment in a matter of...I wouldn't say months, I

think it would probably take a year or two," he said.

"But what I pledge the FNM would do and that is to give every priority while we are getting rid of the drug trafficking, drug abuse, we will also be putting the people of the Bahamas back to work," he said.

Noting that the late Rev Dr R E Cooper once said that a hungry people cannot even pray properly, Mr Isaacs said that Bahamians are a religious people and love their God, but it is not just sufficient to be church-going.

"Because if you're not working to support your family, then you are in quite a predicament and all the church going will not save you from starvation," he said.

"So the FNM promises you full employment, we promise you an end to corruption, we promise you an end to victimization and we promise you a fight to the death against violent crime, and especially crimes that are committed against women," he said.

He also pledged that the party will live up to its new platform to be presented at next week's convention and to improve the quality of life for all Bahamians "when we get rid of drug trafficking and abuse, when we get rid of unemployment, when we get rid of these other scourges that the PLP have inflicted upon us," he said.

SECURITY MINISTER DESCRIBES U.S. HELP IN WAR ON DRUGS

Nassau THE TRIBUNE in English 19 Mar 87 pp 1, 4

[Article by Anthony Forbes]

[Text]

NATIONAL Security Minister Loftus Roker said this morning that the United States Government "had full and complete cooperation" from the Bahamian Government in its fight against drug trafficking since he was appointed to that post in late 1984.

The Minister said that the resolve of the Bahamas Government must not be "misunderstood" in the effort to stop drug trafficking in and through the Bahamas and that he spoke with the "full authority" of the Bahamas Government.

Minister Roker was responding to news reports that members of the US Senate Foreign Relations Committee have sent a resolution to the Senate to de-certify the Bahamas as a country that has cooperated with the US in its war against drugs.

Mr Roker's statement was made after he accepted documents from US Ambassador Mrs Carol Boyd Hallett transferring two high-speed boats captured by the US Customs Department from drug traffickers during a brief ceremony at the Defence Force Coral Harbour Base.

"I say this day is significant because it does not take a very intelligent human being to appreciate that the US Government must have some measure of confidence in the sincerity of the Bahamas or the Bahamian Government when it is prepared to transfer its assets to our care in the fight against drug trafficking," the Minister said.

"That must make sense to somebody unless you are a complete idiot," said Mr Roker, whose ministry covers the Defence Force, Police Force, Immigration and Prison Departments.

"If I had money, I certainly wouldn't give it to a security man to help take care of it for me if I thought that he was a robber," the Minister told his audience, which included US Commissioner of Customs William Von Raab.

"I say that in light of what we've been hearing over the last several hours, but I must say, Mrs Hallett, even before your time to the Bahamas, and I am going to confine my remarks to late 1984," he said.

"The United States Government had full and complete cooperation from the Bahamian Government in its fight against

drug trafficking from the time I got my appointment as Minister of National Security," Mr Roker said.

"That cooperation did not start in December of 1986, it started in late 1984, and that cooperation continues," the Minister declared.

"Indeed, I say and I repeat that it is not in the interest of the Bahamas to encourage drug trafficking through these islands," he said. "It is not in our short-term interest, neither is it in our long-term interest."

"And I think we ought to get over that point where there is a question about that because no one with any degree of intelligence could see any benefit for the Bahamas in that area," he said.

Mr Roker said that all of the Government law enforcement agencies charged with stopping drug trafficking come under his jurisdiction.

"I am the politician responsible for that," he said. "And if anybody with any sense is bribing any Bahamian politician to bring drugs through the Bahamas, they ought to be bribing me."

"They will be foolish to try to bribe any other politician

because no other politician in the Bahamas, including the Prime Minister, has any responsibility for stopping drug trafficking in the Bahamas," he said.

"I am the politician responsible and I challenge anyone here or anywhere else to claim that I have any other interest other than stopping drug trafficking through the Bahamas to the United States," the Minister said.

Mr Roker said that it is not in the interest of the Bahamas for drugs to go to the United States.

"And I want Mrs Hallett and Mr Von Raab to know that they cannot find an American who is more committed to stopping drug trafficking than I am," Mr Roker said.

Mr Roker said that even his staunchest enemies recognize that no one "on this side of the Atlantic or on that side of the Gulf Stream," since he became aware of the ravages and damage drug trafficking inflicts, has done more in the fight against drugs than he has.

"And so I don't want anyone to misunderstand the resolve of the Bahamian Government," Mr Roker said. "When I speak on these matters I speak with the full authority of the Bahamian Government and I need not get any permission to speak on these matters and I take full responsibility on behalf of the Bahamas Government."

The Minister noted that the Government has just spent over \$12 million to purchase three new patrol craft from Britain. They are being used primarily for fighting drug trafficking in and through the Bahamas.

"If it were not for drug trafficking, we would have had adequate boats to deal with poaching and illegal immigration," he said. "That is the only other reason why we would need boats."

"But we are prepared and if you check our budget, you will find that the percentage of money that we spent on related drug fighting matters is higher than any other country in the Caribbean and is higher than that of the United States."

"And I want you to know, Mr Von Raab, that I hope that both of us are still around when we can make such a dent in the armour of these drug purveyors of death that we could be happy to retire in the knowledge that we have brought to an end a scourge, which is as bad as any disease that has inflicted mankind," Mr Roker said.

He asked Mrs Hallett on behalf of the Bahamas Government to convey to the US Government "our sincere appreciation to this gesture of good will."

"This is a significant day for the Bahamas and I dare say for the United States because it is an indication of the cooperation which exists between our two countries in this very difficult task of trying to wipe out the scourge of drug trafficking to and through our countries," he said.

Mr Roker said that he was happy to hear Mr Von Raab say that the battle against drug trafficking will be won "because I was beginning to feel that I was the only person who thinks that we can beat the

drug traffickers."

"I sincerely believe that we can. I sincerely believe that any evil devised by man, honest men can defeat. I believe that," Mr Roker said.

"Saying that is not to minimize the problem involved in this task, but I feel that working together with our powerful neighbour the United States we can accomplish this task, not only that we can accomplish but it is imperative to the well-being of both countries that we accomplish this task," he said.

"If we fail, not only will the Bahamas be destroyed but the decline of the United States will be assured. So our joint enemies, whoever they are, will only have to sit back and wait. They would watch us be destroyed without even firing a shot," the Minister said.

"So I think it is in our interest to ensure that these drug traffickers are not made to succeed and the transfer of these two boats, while in some ways may be symbolic, I hope that they will actually log up, and like they did in the old West when shooting was the order of the day and you did a notch on your gun when you shot another fellow, I think that it would be a good thing that the Defence Force recorded everytime when they stop a drug trafficking operation on one of these two boats," he said.

"I hope we have some way of properly recording it," he said. "I think the US Coast Guard has something that they record their arrests with."

SECURITY MINISTER REPEATS DRUG, ARMS CHARGES AGAINST FNM

Nassau THE TRIBUNE in English 10 Mar 87 p 1

[Article by Anthony Forbes]

[Text]

NATIONAL Security Minister Loftus Roker said last night that he does not take "seriously at all" allegations by St Agnes MP Kendal Nottage that "certain elements" in the FNM are stockpiling guns and ammunition in preparation for the coming general elections.

"I don't take it seriously at all," the Minister remarked in an interview with ZNS newsmen Ed Bethel and Mike Smith, and Fred Sturup of The Nassau Guardian. No Tribune reporter was invited to participate. Mr Roker appeared on the programme, "Perspective," aired over TV-13 last night.

"First of all, nobody has informed me of such a thing and, that is not to say that is not happening, but what I'm saying is, I don't take it seriously," the Minister said.

"Because if it was a serious matter, somebody would have informed me about it by now," Mr Roker said. "And they may very well be doing it, but I don't know."

"I have no evidence that they are doing it. That's how seriously I take that," the Minister said.

The Minister, who has denied recent reports that he plans to resign from the Government of Prime Minister Lynden Pindling, was referring to allegations of firearms stockpiling made by Mr Nottage, a former Youth Minister.

On December 4, Mr Nottage charged that certain elements in the FNM are stockpiling arms and ammunition on a Bahamian cay in preparation for the general elections, which are to be held this year.

The FNM flatly denied the allegations and in the House of Assembly FNM Deputy Leader Cecil Wallace-Whitfield called Mr Nottage a "preposterous liar."

On December 8, Mr Nottage repeated his allegation. On December 10, he met Commissioner of Police Gerald Bartlett to discuss what information he had on the matter.

On January 18, Mr Nottage again repeated his allegation and claimed that he had answered the FNM's challenge to give the information to the police.

The police are continuing their investigations.

Also in the interview last night, Mr Roker accused a Magistrate of "completely ignoring the law" by jailing a drug trafficker for three months, when the 1986 amendments to the Dangerous Drugs Act made it mandatory for a drug trafficker to receive a minimum of one year in prison.

In addition, Mr Roker questioned how "those who claim to be leaders, treat the Bahamian people."

Without calling names, Mr Roker said: "When it suits our

purpose, we arouse them up and we get them with us on a certain matter, and after that we forget what it was we had them all aroused about."

"The question of drugs...we had a march where we claimed we had 30,000 people marching against drugs," the Minister said.

Mr Roker said that parliamentarians debated for 14 days in the House of Assembly the drug Bill he introduced and which dealt with confiscation of the profits of drug trafficking and increased penalty for drug pushers.

"And isn't it strange that that Bill came into force on the 6th January, 1987, and on the 11th January a Magistrate sentenced a drug trafficker, a seller who pleaded guilty...in fact who pleaded guilty to having cocaine with intent to supply to others...in other words they were drug traffickers...sentenced them to three months in prison."

The Minister said that the law, recently passed and in force at the time the men were arrested, states that on conviction for drug trafficking, the Magistrate must sentence the convicted person to not less than one year in prison.

"Here was a Magistrate sentencing people who had at least 2½ pounds of cocaine and pleaded guilty, not who were convicted but who pleaded guilty to drug trafficking, they were sentenced to three months in jail," he said.

"That, gentlemen, is an indication, and it was January when the law was passed, a couple of weeks ago, and you have a Magistrate ignoring completely the law, and you tell us that you are serious?"

queried the Minister.

Mr Roker said that "no one, except for some young children," commented on the matter.

"And the young children were commenting on the Magistrate sending somebody to jail for having hundreds of pounds, In this case the magistrate sentencing somebody to jail for three months when the law says he couldn't do it...the law says it must be at least 12 months," the Minister said.

"That, gentlemen, is an indication of what we are really facing in this country today," he said. "Whenever the thing suits us politically, we talk about it, but we really don't mean it at all."

"I know of legislators who have said in my presence that they have told their constituents it is okay to be involved in drug trafficking providing they don't sell it to Bahamians," he said.

"Now they are the same ones today who are calling this Government corrupt and who are saying that this Government is responsible for allowing drug trafficking in this country," he said. "They are the same ones."

"That is why I am unpopular, because I said...and on one occasion it was said in my presence, there were other politicians there....if I had any responsibility for that individual I could have told him there and then that I cried shame on him, and he had no right telling that to his constituents," Mr Roker said.

"This was not done and so he could now say how corrupt the Government is get away with it because we should have stopped him when he did it at the time, but we didn't," he said.

/9317

CSO: 3298/184

LABOR MINISTRY'S PLAN TO FOCUS ON UNEMPLOYMENT

La Paz PRESENCIA in Spanish 12 Mar 87 p 6

[Text] Santa Cruz, 11 Mar—Minister of Labor Alfredo Franco Guachalla reported here that his office is drawing up a "social policy" for immediate application to confront the high rate of unemployment and poverty that affects most of the national community.

The minister drew up his plan within the context of the "economic revitalization" policy that the government has repeatedly announced that it will apply. It feels that it has fulfilled the first stage: to stop the galloping inflation recorded until it came to power.

Franco Guachalla explained some aspects of the proposals in that social policy. He stated that it is applicable for normal times as well as times of boom and depression. In the latter case, it should be imposed with greater urgency.

He mentioned what had been done in the United States during the great economic depression of 1929-30 and the Marshall Plan after World War II.

He summarized his ministry's project: "We are going to draw up an intelligent formula to create more money and more jobs through economic revitalization and to require efforts from the state and private enterprise to generate employment."

He stipulated that work programs at quarries, paving streets, and other labor-intensive activities will be undertaken immediately through state and community groups. He did not specify the "effort" that will be required from private enterprise.

The journalists asked him if he considered the current economic policy of the government just. He responded that it is necessary to "distinguish" between justice and necessity. He pointed out that the government needed to stop hyperinflation before undertaking any other action because it had "received a country in bankruptcy."

The minister emphasized that, through the process of economic revitalization, the labor policy will change unemployment to employment. There will still be rationalization of personnel but by employing, not dismissing.

Franco Guachalla denied that the term "rationalization" is a new name for "relocation," the action through which thousands of workers, especially at the nationalized mines, have been dismissed.

He emphasized that "jobs will be sought" for those relocated, recognizing that this involves a contingent of unemployed people.

Role of Ministry

He indicated that his ministry "has the duty to defend the workers. In order to fulfill that function, it is necessary to 'reconstruct' that office which was in ruins. It has been forgotten that it is an important ministry that must fulfill an important function."

To help fulfill those functions, Franco Guachalla said that the Ministry of Labor will channel the "demands" of the labor organizations "contrary to what the COB [Bolivian Labor Federation] did before. From now on, the Ministry of Labor will receive those requests and, after 'processing them,' will pass them on to the cabinet for consideration."

Wage Problem

Minister Franco answered questions about the wage policy, especially whether the so-called "starvation wages" that the government has set will be continued. He answered: "There cannot be ideal wages if it is taken into account that their increase will be translated into an excessive increase in the cost of living." He added: "It is a matter of defending the buying power of the wages through various economic revitalization measures."

7717

CSO: 3348/231

MEASURES PROPOSED TO CUT WHEAT IMPORTS

La Paz PRESENCIA in Spanish 11 Mar 87 p 10

[Text] The government must adopt radical policies to gradually reduce wheat imports, depend less on donations and purchases of wheat, and formulate actions to stimulate domestic production of this grain, according to a diagnosis of the agricultural-livestock policy of the Ministry of Agriculture, Campesino Affairs, and Livestock Affairs.

It states that wheat production and supplies are critical problems for the country. "It is necessary to find solutions to achieve self-supply as soon as possible."

Increased consumption of wheat does not mean increased imports and donations but the expansion of national wheat production, adopting measures to reverse the trend and stimulate consumption of other grains like rice and corn.

That agricultural-livestock document proposes guaranteeing the national producer a higher price than the international price. This is explained by the savings in transportation.

The proposal would reduce the increasing outlay of foreign currency for wheat purchases and would generate important job sources.

The state should guarantee the purchase of all national production suitable for bread-making because, in the past, it was able to finance the wheat purchases needed for consumption. Therefore, it should be able to finance the purchase of all national production.

The reduction of imports combined with a consistent policy on the above two points will help stimulate domestic production and increased consumption of substitutes like rice and corn.

It points out that it is necessary to revise Supreme Decree 21367 of August 1986 which eliminates tariffs for wheat imports from foreign markets.

7717

CSO: 3348/231

ROAD CONSTRUCTION PROJECTS RECEIVE TOP PRIORITY

La Paz PRESENCIA in Spanish 6 Mar 87 sec 2 p 3

[Text] Sucre, 5 Mar--There is growing awareness of the importance of road construction in the department. It has top priority. This includes the diagonal route now expanded to Machareti, through Muyupampa. The need to construct the Tarabuco-Boyube railway has also been mentioned again.

The constant interruptions in the trunk route to the provinces of Luis Calvo and Hernando Siles as well as regions of Chuquisaca, Chaco, concern civic leaders, especially the provincial leaders.

Jorge Cano, leader of CIDEPRO, pointed out that it is impossible to speak of development without a road system that permits easy access all year round. The Muyupampa-Iguembe-Machareti route in Chuquisaca, Chaco, has priority for this provincial leader.

Another is Leguesana-San Lucas and Padcaya that will directly connect Cinti with the capital of the department. Another route needed for departmental connection is Villa Serrano Vallegrande which will provide the shortest route between Santa Cruz and Chuquisaca.

In the case of the Villa Serrano Vallegrande route, an agreement was signed recently between CORDECRUZ, CORDECH, and the Road Service for the construction of a bridge over Rio Grande at the Santa Rosa strait. This work was demanded by Belisario Boeto Province and repeatedly promised by CORDECH.

As to financing, the civic leader revealed that CORDECH could negotiate resources with FONPLATA. The same is true for the Tarabuco-Boyube railway, a segment the subregional organization has been very interested in recently, especially now that the subregional organization is based in Sucre. It did not have any response from national organisms in order to resume negotiations with Argentina and continue with the project.

The construction of a number of road and railway systems in the department has more priority at the provincial level, mainly because these are suffering the consequences of an almost total lack of connection.

7717

CSO: 3348/231

BRIEFS

REGIONAL FARM STUDY REPORT--Cochabamba, 7 Mar--There are new and promising prospects for regional agricultural development based on intensive exploitation and high profitability per unit of area. Examples are growing fruit, growing vegetables for processing, and growing flowers for export. The above concept is part of a study done by CORDECO [Development Corporation of Cochabamba]. It analyzes the factors that affect the current structure of agricultural-livestock activity in this department. According to information obtained by PRESENCIA, the basic pillars of the current agricultural-livestock structure in the valleys of Cochabamba are dairy farming, poultry farming, and traditional agriculture. The latter is represented basically by grains--corn, wheat, barley--tubers like potatoes and sweet potatoes, and home gardens for domestic consumption. The negative factors for a rational increase of these productive activities are increasingly smaller farms, lack of irrigation, and the absence of fiscal incentives like soft credits and adequate technical assistance. However, there are new and promising prospects for regional agricultural development based on intensive exploitation and high profitability per unit of area. Examples are growing fruit, growing vegetables for processing, and growing flowers for export. The fruit experimental station in San Benito, Punata Province in this department, has demonstrated during its more than 20 years of technical work that peaches and apples are the most profitable products in Valle Alto and in Valle Central. Their exploitation is feasible to satisfy national consumption and to export processed products like nectars or concentrated juices, especially peach, damson, and plum, according to the CORDECO study. It also indicates that progressive flower growers in Cochabamba have accumulated experience and are now exporting top quality flowers to Miami, the United States, especially roses, carnations, chrysanthemums, and gladiola. "This floral industry that generates foreign currency and has multiplying effects in addition to absorbing a great deal of peasant manpower must be encouraged." [Text] [La Paz PRESENCIA in Spanish 8 Mar 87 sec 2 p 11] 7717

PEASANT MARKET COMPLETION SOUGHT--Santa Cruz, 6 Mar--Small farmers in Santa Cruz have demanded the prompt completion of the so-called "peasant market." Its construction has been considerably delayed and hurts those producers and the community in general, especially the poorest sectors. The farmers said they went to community authorities because the Santa Cruz City Hall is in charge of the construction of that market. The central government ordered their construction in several of the main cities in the country. It was also

stated that the Santa Cruz City Hall announced on several occasions that it had allocated \$450,000 for that project. It is strange that, despite having a budget, it has not been completed yet. The objective of the construction of peasant markets is for producers to have a direct method for marketing their products and avoid the long chain of intermediaries who greatly increase the prices of those products. The fact that the producer can have that marketing facility will really help him and also benefit the consumers who can have farm products at lower prices. Despite all that, very few of the markets of that type were completed. Therefore, the producers and consumers continue to be victims of the greed of intermediaries who, without any risk, make big profits through a system of usury and speculation permitted by government authorities. As to the peasant market in Santa Cruz, a recent inspection at Kilometer 2 on the highway to Cochabamba where that project is being constructed verified the delay in the construction and confirmed the complaints of the small farmers. [Text] [La Paz PRESENCIA in Spanish 8 Mar 87 p 4] 7717

AGRICULTURAL TECHNICAL ASSISTANCE--Santa Cruz, 8 Mar--An agricultural technical training center will be inaugurated on 23 March in San Carlos, Ichilo Province in this department. It required an investment of \$1.2 million paid by the Italian Government. This information was provided by one of the members of the corps of Italian volunteers working on that project. It is considered to be very important for the socioeconomic improvement of a vast region in northern Santa Cruz Department. The center now has all the physical installations and equipment to fulfill its basic mission of giving theoretical and practical instruction in basic and intermediate agricultural technology to 60 peasant youths between 16 and 24 years of age. As is known, the Italian Government proposed to carry out this program after reaching the conclusion that the instruction and increased knowledge of the young peasants are good instruments to raise the standard of living of the peasantry. The corps of Italian volunteers, led by Carlos Balzonello, has worked hard for several months to complete the project. It is characterized by a large solid physical structure and enough equipment to instruct the youths and achieve good agricultural-livestock production. The informant stressed that emphasis will be placed on agricultural education and livestock--especially cattle, horses, fowl, and other animals--with the objective of diversifying the activity and production of the region. One significant detail is the fact that the youths who graduate from the agricultural training center will receive, in addition to their diploma, credit for two heads of cattle, some seeds, etc. in order to permit them to start work. The credit will be canceled at the end of 2 years. The installation of this center in that part of northern Santa Cruz is considered timely. Direct assistance of that type is not offered to the peasantry there despite the fact that it has great human potential and other wealth, especially for agriculture and livestock. [Text] [La Paz PRESENCIA in Spanish 9 Mar 87 p 5] 7717

IDB FINANCING--The IDB approved \$500,000 in financing for an agricultural credit program that will benefit about 455 small Bolivian producers, according to a press communique from that bank. The financing will go to ASOFRUT [Association of Vegetable and Fruit Growers], a private nonprofit organization based in Santa Cruz. Those resources will be used to establish a rotating credit fund designed to increase the production of food like potatoes, tomatoes, and pineapple by members of the association. The financing was part

of the IDB program for Financing Small Projects. The credits have a term of 40 years with a commission of 1 percent per year. They will be disbursed in Bolivian pesos and will be amortized in 6-month payments, the first of which must be paid 10.5 years after the agreement is signed. The credits that ASOFRUT grants to its members will be used for the construction of small warehouses and the acquisition of tools, seeds, fertilizer, insecticide, machinery, and transportation services. They will also be used to hire manpower to prepare, plant, ~~cultivate~~, and harvest the land. The beneficiaries of the program are low-income farmers who exploit areas of between 1 and 5 hectares in the valleys near Santa Cruz who do not have access to conventional credit sources. At the same time, the IDB approved nonreimbursable technical cooperation worth \$95,000 from its Fund for Special Operations. It will provide technical assistance to the beneficiaries and design plans for production diversification and irrigation. [Text] [La Paz PRESENCIA in Spanish 11 Mar 87 p 1] 7717

CSO: 3348/231

AIR FORCE ARTICLE COMPARES SARNEY WITH ALLENDE

PY151729 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 14 Par 87 p 4

[Text] There is a similarity between the government program of former Chilean President Salvador Allende, who was overthrown in a military coup 3 years after becoming president, and the Sarney government program, according to an "article" published by the Air Force Information Center in its Special Report No. 02/87, which is "restricted" to Air Force officers.

After a long report on the situation "in Chile under President Salvador Allende," the 7-page anonymous article recalls that during the electoral campaign, Allende announced measures that made an impact on the people, such as the elimination of unemployment and inflation, the improvement of education and medical attention, plenty of food and housing for all, in addition to other "strange" measures, such as restrictions on overseas travel by government officials, and control over the use of official vehicles.

The article says that the results of the first year of the Allende administration were "spectacular," but "not everything was running smoothly." There were problems with supplies, the black market was growing, and "the seeds for disaster had been sown." The article also indicates that exports fell and imports increased, thus reducing the trade surplus.

The article concludes by saying that in 1972 during the 2d year of the Allende administration, "in addition to corruption there was complete anarchy in the countryside because the leftist groups, especially the MIR [Movement of the Revolutionary Left], took over land to speed up the agrarian reform and this action led to violence." The article recalls that "Allende was overthrown on 11 September 1973."

/12624

CSO: 3342/107

INCOME TAX DECLARATION DEADLINE EXTENDED

PY152059 Brasilia Radio Nacional de Amazonia Network in Portuguese 1000 GMT
15 Apr 87

[Excerpt] President Jose Sarney has approved changes in the way income tax is to be paid. In addition to extending the deadline for the payment of the first income tax installment to 30 April, the taxpayers who are entitled to refunds on income tax declarations filed last year can claim up to the value of 70 OTN's [National Treasury order] of the total refunds owed to them against this year's income tax payments. This decision was made by President Jose Sarney after listening to popular demands and to the leaders of the Democratic Alliance [Brazilian Democratic Mobilization Party and Liberal Front Party].

As he left the meeting with the President, PMDB Senate leader Fernando Henrique Cardoso explained that in addition to extending the deadline for payment of the first income tax installment, President Sarney has decided to allow income tax deductions in this year's declaration, by as much as 70 OTN's, of refund installments on last's year tax declaration that have not yet been made.

[Begin Cardoso recording] We have some modifications. In the first place, the deadline for the payment of this year's first income tax installment has been extended from 15 to 30 April. This is intended to accommodate taxpayers who do not have money in their pockets in the middle of the month, but do have at the end of the month. Before this change, the income tax had to be paid in 6 installments. With the present modification, income tax payments can be made in 8 installments within a period of 9 months. In the second place, we, the PMDB and the PFL, have managed to persuade the finance minister and the president to allow deductions of up to 70 OTN's be made against last year's taxes which have not yet been refunded. Deductions allowed on this account can total 14,000 cruzados. So those who owe up to 14,000 cruzados in taxes will not pay anything. Those who owe more than 14,000 cruzados can deduct up to this amount. If, for example, one owes 20,000, then only 6,000 cruzados must be paid. This measure will benefit 3.2 million taxpayers who will pay nothing this time. Only 800,000 people, those who earn more, will still have to pay. Even those people will be allowed to make deductions this year for refunds that the government owes to them. [end recording]

/12624

CSO: 3342/107

BRIEFS

COFFEE STOCK PLACED ON MARKET--Brasilia, 9 Apr (EFE)--Jorio Dauster, president of the Brazilian Coffee Institute today disclosed that the Brazilian Government has decided to place 630,000 bags of coffee, which they had speculatively purchased last year, on the international market. [Summary] [Madrid EFE in Spanish 0018 GMT 10 Apr 87 PY] /12624

OIL FOUND IN THE AMAZON--Brasilia--President Jose Sarney yesterday announced the discovery of a 100 square-km oil basin in the River Urucu area of the Amazon region. He said that 40 percent of the oil content is suitable for refining and producing diesel oil and bottled gas. The first well is producing 500 barrels of oil and 500,000 cubic meters of gas daily. The second well is producing 220 barrels of high quality oil, and 150 cubic meters of gas daily. [Summary] [Rio de Janeiro O GLOBO in Portuguese 4 Apr 87 p 21 PY] /12624

MINI DEVALUATION--Rio de Janeiro, 6 Apr (AFP)--The Brazilian Central Bank decided today to order a 0-65 percent devaluation of the Cruzado. The mini devaluation will go into effect as of 7 April 1987. [Summary] [Paris AFP in Spanish 0023 GMT 7 Apr 87 PY] /12624

CSO: 3342/107

CHARLES ADDRESS TO HUCKSTERS MENTIONS ANTIGUA, GUADELOUPE

Roseau THE NEW CHRONICLE in English 20 Mar 87 p 14

[Text]

Speaking at the third annual general meeting of the Huckster Association recently, President Dora Ogaro warned local hucksters against trafficking and trading in marijuana and other illegal drugs, telling members that any of them found or charged in this regard would be expelled from the association.

Hucksters however have attributed the warning by Mrs. Ogaro to some people who pose as hucksters to gain access to deal in the French islands as well as St. Martin.

Mrs. Ogaro told hucksters that she was calling on them to ensure that they did not tarnish the good image of the country by getting involved in the drug trade.

Also addressing the association was Prime Minister Eugenia Charles who at the function promised Dominican hucksters protection from Antiguans who come here to buy produce. She said if Antigua was seeking to protect its hucksters by imposing a licence on Dominicans trading there then Dominica would retaliate by imposing a fee on those who came huckstering here.

According to reports Dominican hucksters must have a licence costing EC\$500 before they can trade in Antigua.

In reacting to comments that conditions were being made very difficult for Dominican hucksters in Antigua, the Prime Minister said she was exploring the possibility of having Dominican hucksters deliver their goods on the Antiguan port without having to land and attempt to retail the produce themselves.

But she said she would need a guarantee from the Antiguan Government that the hucksters could be paid cash on delivery for their goods, noting that some hucksters here complained that they often sold on credit to Antiguans and had difficulty in collecting monies owed them.

The Prime Minister also referred difficulties facing the hucksters on one of their main markets, Guadeloupe, which at the moment has placed a ban on certain agricultural products including plaintains, bananas, and yams.

She disclosed that she was holding talks with the relevant authorities on the

matter but said it was proving difficult to get results since she had to deal with France instead of Guadeloupe itself.

The Prime Minister also lamented the fact that a few Dominicans by their illegal actions caused Dominicans to have a bad image in Guadeloupe.

Noting that the huckstering trade was very important to this country's economy, the Prime Minister told the hucksters they needed to organise themselves on an even higher level in an attempt to strengthen their position and bargaining power.

She cautioned the Hucksters Association against

allowing all who wanted to become hucksters, contending that greater numbers would mean less of a market for the hucksters in general.

The feature address at the AGM was delivered by Communications and Works Minister Alleyne Carbon who praised the Hucksters Association for the level of progress it had made since its inception some three years ago.

Mr. Carbon commented favourably on a Code of Conduct for Dominican hucksters being put in place by the Hucksters Association. He said he was impressed with its simplicity

/9317

CSO: 3298/187

OPPOSITION LEADER HITS 'MANIPULATION' OF VOTING BOUNDARIES

Bridgetown BARBADOS ADVOCATE in English 17 Mar 87 p 5

[Text]

Mr. Michael Douglas, leader of the opposition Dominica Labour Party (DLP) has accused the ruling Freedom Party (DFP) of manipulating electoral boundaries in order to wrest control of a traditional DLP stronghold in the northern town of Portsmouth, which his party has controlled since 1961.

The town has now been divided into four wards, incorporating two new areas where he said the DFP won in previous elections.

Mr. Douglas charged that the Freedom Party hoped to win these two seats, thus enabling them to nominate five members to the council, thereby giving the party a slight majority on the 13-member council.

'Vulgar way'

"(These changes) blatantly highlight in a

very vulgar way, the extent to which the government will jerrymander electoral boundaries, to control constituencies, or parts of constituencies, which they do not now control," Mr. Douglas declared.

Community Development Minister Heskeith Alexander, in presenting the Enabling Bill to Parliament, said it would give the people of Portsmouth closer and better representation.

Mr. Douglas has been in Barbados for the past few days, and met Friday with Prime Minister Errol W Barrow.

He also criticised another provision for the Portsmouth town council elections which make it mandatory for a candidate to live for at least, six months, in the ward which he will be contesting.

/9317

CSO: 3298/187

REGIONAL SECURITY SYSTEM FORCES STAGE LOCAL EXERCISE

Roseau THE NEW CHRONICLE in English 20 Mar 87 p 1

[Article by Anthony Andre]

[Text]

The area of Soufriere's Mornne Patates volcano will be a hub of activity on Monday May 4, when 600 military and medical personnel from the Regional Security System, the United Kingdom and the United States descend upon the island's south to rescue villagers in a simulated disaster exercise code-named 'Lava Flow'.

Commissioner of Police Ensley Pierre has just confirmed that preparations are underway for this project which is part of a Regional Security exercise running from May 4 to May 10 this year.

In the phase one exercise based on a request by our government, member countries of the RSS will send their coast guard vessels to assist in the evacuation of the area.

Also taking part in the exercise will be the West Indies Guard Vessel which along with its helicopter will be actively involved in the evacuation of over 200 people. This will include the air-lifting of the seriously injured to a field hospital to be set up on Goodwill's Lindo Park.

According to reports the phase one exercise will involve the participation of all local service organisations with particular emphasis on the medical, fire and ambulance services. Among the regional personnel coming into the island will be a squad of telecommunications experts who will

maintain outside contact while the operation is taking place.

The overall purpose of the phase one exercise says Commissioner of Police Ensley Pierre who is designated Force Commander, is to assess how quickly and efficiently action could be taken in the event of a natural disaster.

Mr. Pierre said activities during the week long exercises will include action in both the north and south of the island, with one stage of the phase one exercise taking place at Melville Hall Airport and the Deep Water Harbour where theatrical

looters will attempt to steal incoming supplies and other items related to disaster relief. Security forces on hand will attempt to contain such activities which during hurricane David was a reality here.

Two high-ranking RSS officials expected to be present are Regional Security System Co-ordinator Brigadier Lewis and Regional Security Coast Guard Commander Welland.

Force Commander Ensley Pierre has advised that phase two of the exercises will be a counter-insurgency opera-

tion where friendly RSS forces will attempt to contain hostile forces who enter the country illegally in the south.

Details on the phase three stage have not been disclosed but is being described as a 'drug eradication' exercise and is expected to involve activities in the island's interior.

In the weeks leading up to the exercise military personnel from the United Kingdom as well as the US will be involved in doing community work in some areas of the island. On their agenda are playing fields at Bath Estate and New Town. Also scheduled to get the care and attention of the 'boys in green' is the Portsmouth Hospital.

According to the Com-

missioner of Police an information campaign on exactly what will transpire during the exercises will be mounted in the weeks ahead so that the general public will not be alarmed when the project starts.

Dominica's Co-ordinator of Disaster Preparedness Jerome Lloyd who is among the resource people involved in putting the final touches to the phase one exercise told the New Chronicle that as of September, seismograph equipment was installed in the south of the island to monitor earthquakes, tremors and volcanic activity. Dominica from time to time experiences swarms of earthquakes and some residents have reported feeling the tremors. There are 10 dormant volcanoes on the island.

/9317

CSO: 3298/187

MAN POSES QUESTIONS TO U.S. PRESIDENT REAGAN

PA250056 San Salvador EL DIARIO DE HOY in Spanish 23 Feb 87 p 42

[Paid advertisement by the National Action Movement, MAN, entitled:
"10 Questions for President Reagan"]

[Text] MAN, deeply concerned about President Reagan's recent statements that in El Salvador we are "promoting economic growth" and that "we are strengthening the democratic system," considers it necessary to ask 10 questions regarding our true socioeconomic and political situation, because it is easy to see that the truth is being hidden from the U.S. President under the thick cover of deceitful appearances, and misinformation. It terrifies us to think that President Reagan's government believes the same things that U.S. journalist William J. Lederer said happened during the 1960's in his book "A Nation of Sheep." In reference to some incidents in Laos and Indochina, Lederer bravely states several irregularities that increase our worries. We quote the following passage from the above-mentioned book: "With shame and humiliation we must admit that rich and intelligent North America has unsuccessfully competed with the Reds in a nonviolent clash. Neither the American Foreign Service, nor any of the U.S. agencies have been able to prepare men who, knowing the country and the language, could go to the jungle and the mountains to work with the people. The worst of all this is that we were not aware of all this, or were unable to value the situation clearly."

"The most immoral thing of all is: The government and the press have not been honest. Government officials hid their mistakes and simultaneously proclaimed successes that never existed. Did they have so little shame then? Is it that they did not have faith in the tenacity of the North American people? Were they afraid of the way people would react if they knew the truth? Were they or were they not aware of what was happening?"

The Salvadoran people are the best witnesses, because for 7 years they have been experiencing one of the worst economic crises of their history. Instead of experiencing improvements, the crisis is getting increasingly worse, because of the hasty, antidemocratic, and unconstitutional measures imposed by President Duarte.

For all these reasons MAN presents President Reagan with the following questionnaire, which if honestly answered will help him to understand the reality of the tragic and painful situation that the Salvadoran people are experiencing.

Does President Reagan know that:

1. Thanks to the nationalizations imposed in 1980 by the de facto junta headed by Duarte the country is gripped by the most profound misery and poverty in its history?
2. Duarte is the Latin American head of state who has violated the Constitution, auxiliary laws, and rules most often?
3. The production sector on 22 January declared a historic work stoppage that brought the country's commercial activities to a standstill to protest the numerous and frequent violations of the Constitution by President Duarte?
4. The agrarian reform imposed by "Carterism" is a resounding failure as proved by the audits made by AID and the State Department?
5. Duarte himself has cynically and publicly admitted that there are constant cases of wrongdoing but the culprits have not been punished to date?
6. The amendments to the elections law hinder and detract from the electoral process because the Central Elections Council has been left under the exclusive control of the ruling party and, for this reason, the opposition parties may not run in the coming elections?
7. The "communitarian socialist" doctrine imported from Chile and Venezuela fosters nationalizations and confiscations and negates the fundamental principle of free enterprise?
8. The economic reinvigoration plan, scheduled to begin with the first packaged swindle in 1986, was a resounding catastrophe and a complete failure with which Duarte caused panic by increasing the defense and national sovereignty tax, which was recently declared unconstitutional by the Supreme Court?
9. The armed conflict has become interminable despite the substantial aid because, in addition to being a profitable business, it gives Duarte the advantage of national and international blackmail?
10. Because of Duarte's indescribable and disastrous economic policy, the country has descended in this short time to the economic levels of 30 years ago, and this is a valuable contribution to the strategy of the FMLN-FDR?

The only purpose of these 10 questions raised by MAN is to lift the veil of disinformation around President Reagan and to try to begin to establish a climate of understanding, solidarity, and sincerity between the United States and El Salvador. Otherwise duplicity, deception, and pretense will continue to hinder the relations between the two countries and their efforts to strengthen the democratic system.

/12858

CSO: 3248/283

BRIEFS

NEW ENVOY TO GUATEMALA--Foreign Minister Ricardo Acevedo Peralta today swore in Pablo Mauricio Alberque as the new ambassador to Guatemala. Alberque was the Salvadoran ambassador to the United States from 1984 to 1986. [Summary] [San Salvador Canal Doce Television in Spanish 0300 GMT 30 Jan 87 PA] /12858

POLL SHOWS U.S. AID KEEPS DUARTE IN POWER--In its eagerness to win the elections next year in El Salvador, the ultra-right-wing Nationalist Republican Alliance, ARENA, carried out a poll that has demonstrated that Jose Napoleon Duarte's regime is still in power only because of the aid it receives from the United States, which amounts to more than \$1 million daily. ARENA leaders have predicted that in the 1988 elections the Salvadoran Christian Democratic Party will be defeated because its unpopularity increases daily. Collusion within the government, the regime's prepotence, and its mistaken economic policies have resulted in a massive rejection of Duarte, according to the poll carried out by groups linked to ARENA. ARENA and the Christian Democrats as well are struggling fiercely to win the next elections in El Salvador, but previous polls carried out by religious organizations reveal that most Salvadorans do not support either party. [Text] [Havana International Service in Spanish 2300 GMT 15 Feb 87 PA] /12858

CSO: 3248/283

PDCN CALLS FOR REMOVAL OF ECONOMY MINISTER

Guatemala City PRENSA LIBRE in Spanish 28 Feb 87 p 18

[Text] The Executive Committee of the PDCN [Democratic Party for National Cooperation] asked that Minister of Economy Lizardo Sosa be dismissed for inefficiency, according to a press communique sent to our office.

It stated: "Several deputies have requested the dismissal of the minister of public health and social welfare and agricultural sectors request that the minister of agriculture be replaced. The PDCN, which represents the sentiment of a large segment of the population, states that one of the most urgent changes should be Minister Lizardo Sosa Lopez as minister of economy."

The communique stated: "These three officials have not intelligently defined the policy of an administration that benefits the people. One affects the health of the inhabitants, the other has a policy of uncertainty in the agrarian sector. The minister of economy does nothing for the family market basket, just to cite one instance."

The bulletin said: "As to imports and exports, the action of the Ministry of Economy has been very questionable. We do not say this; the sectors affected do. However, in the long run it affects the entire population."

"The demagoguery of Minister Sosa Lopez does not go beyond theoretical statements. He states that the rate of inflation has gone down and consumer prices have not gone up. Can it be possible that a minister cannot clearly see what the prices have been in 1985, 1986, and now 1987? The PDCN invites the minister to visit businesses and learn the current prices of meat, sugar, milk, and vegetables. We do not even mention clothes which the middle class can no longer purchase."

The PDCN bulletin ended: "Therefore, we ask the Executive Branch not only to look at the requests of the congressmen but of the groups that represent the popular classes. This sector mistakenly trusted the Christian Democracy Party which governs mistakenly. What they consider cheap are the constant trips of the president, ministers, and minor employees."

7717

CSO: 3248/242

FISCAL DEFICIT DECREASES BY 50 PERCENT

Guatemala City EL GRAFICO in Spanish 28 Feb 87 p 3

[Text] Dr Rodolfo Paiz Andrade, minister of finance, stated that the government has met and surpassed its proposed goals. He said this the night before last at Hotel El Dorado when he gave his report on the close of the 1986 fiscal year.

He said that two of the goals were to open the ministry to all citizens and reduce the fiscal deficit to half of what was budgeted.

During his explanation, he said that the purpose was to translate the results of that year in economic and financial terms. He pointed out that, in general, the results reflect a process of economic stability which has to help increase confidence which is important for economic revitalization.

He added that this reflects a change in strategy to stimulate a dynamic and nonrecessive economy. It especially reflects the final result of the cut in half of the fiscal deficit--278.2 million--because the goal to achieve a reduction of 226.8 million quetzales was surpassed.

He stressed that this was achieved under very special circumstances. During the short-term social and economic reorganization program, wage, employment, and subsidy programs totaling more than 200 million quetzales were carried out.

Also 114 million quetzales were allocated to increase payment of the domestic debt by raising the interest rate that the state pays to the Bank of Guatemala for bonds from 1.5 percent to 9 percent.

The budget increase required by constitutional contributions of 240 million quetzales to municipalities, the University of San Carlos, and the judicial system must be added to that.

7717

CSO: 3248/243

EXTERNAL DEBT REACHES \$2.5 BILLION

Guatemala City EL GRAFICO in Spanish 28 Feb 87 p 3

[Text] Guatemala City, 28 Feb--Guatemala's foreign debt now totals \$2.5 billion. Half of this corresponds to BANGUAT [Bank of Guatemala] and the other half to the rest of the public sector.

This was reported by the vice president of BANGUAT, Gabriel Castellanos. He pointed out that Guatemala has a debt strategy summarized as follows:

1. There will be no further indebtedness of the country unless it is necessary to finance development projects with production objectives. This is an attempt to stop the accelerated indebtedness recorded between 1978 and 1985.
2. The financing obtained will be used exclusively for adapted projects--in other words, small--not the pharaonic projects carried out by past governments.
3. The debt must be renegotiated realistically based on the context of Latin American economic policy. The renegotiation should cover commercial banks, governments, and loans contracted with international organizations.

He also indicated that interest payments are up to date. This is very significant because it is the first time in many years that it was not owed to various international financial organizations.

7717

CSO: 3248/243

FIRST LADY'S SOLUTIONS SHARPLY CRITICIZED

Guatemala City EL GRAFICO in Spanish 19 Feb 87 p 8

[Article by Solares Jr.]

[Text] I was told that when the first lady went to the port of San Jose recently to attend a rally of peasants demanding land, a group of housewives had the opportunity to personally present their concerns to her about the continuing price increases for essential products.

The mothers there told Dona Raquel—or "comrade" Raquel if you prefer—that it was hard to understand how the price of sugar could be so high there in Escuintla Department, the largest cane producer in the country. They watched day after day as thousands of tons of the sweet white product were shipped from Puerto Quetzal to sweeten foods in other countries. Meanwhile, they have to endure many hardships to obtain it.

That was more or less what Dona Raquel heard. What the women of the port of San Jose heard in response left them stunned...and disillusioned.

The president's wife said: "What you should do is agree not to buy sugar in order to force the price to go down."

A Solomonic response. A nice solution. Of course! And to lower the price of milk, don't give milk to your children. To lower the price of beans, stop eating beans. To make corn cheaper, stop buying tortillas. To make soap cheaper, don't wash clothes. To lower the price of medicine, go to bed and wait to die. Nice solution!

If that is how the first lady thinks, we should understand that the best solution is to die of hunger, resigned to the fact that foods never go down in price despite the fact that they gradually go down in quality and quantity.

How could the poor put pressure on sugar producers and sellers by not buying sugar? How can the problem of high prices be resolved by drinking bitter coffee and letting the children suck bad tasting water (from a baby bottle or pacifier)?

Let us not forget that thousands of Guatemalans barely drink one little cup of coffee at mealtime and that many mothers cannot buy milk so they give their babies sugared water to drink.

Let us not forget either that Dona Raquel has the luxury of eating whatever she wants at whatever price!

7717

CSO: 3248/243

POPULATION AT RISK OF INFECTION FROM RETURNING IMMIGRANTS

Guatemala City PRENSA LIBRE in Spanish 2 Mar 87 p 10

[Editorial: "Preventive Measures Against AIDS"]

[Text] Thousands of countrymen, illegal U.S. residents who will be affected by the new immigration law, will begin to arrive in Guatemala in a few days. Many of them are fleeing desperately to Canada but the others will be required to return to this country, voluntarily or by force.

That massive return of Guatemalans has the following potential risks: a) the introduction of new cases of AIDS, the disease known as Acquired Immune Deficiency Syndrome that mainly attacks homosexuals; b) the spread of new cases of genital herpes, a venereal disease that is like a modern syphilis; and c) new forms of drug addiction.

The Ministry of Public Health, in coordination with other public offices, has the duty to plan defensive measures to protect the population from any contagion this migratory movement entails. Of course, AIDS can enter by other means. One is the presence of U.S. tourists or tourists of other nationalities in whose countries the disease has developed.

Public health officials in India have ordered all foreign students, especially Africans, to submit to AIDS testing. This caused serious disturbances in New Delhi last Friday but, in our opinion, the Indian Government has the right to adopt that type of measure. The testing is also protection for those examined.

It is not known if the people being expelled from the United States will be subjected to examination in our country to establish their state of health. We believe that they are not examined for anything except criminal records.

The preventive measures recommended would calm many people who are worried about the return of their countrymen. However, in addition to calming the people, the objective is to put medical measures into effect. The examinations are the least that can be done. A service must be organized with professionals who have had some specialization in the diagnosis of the disease. This should be complemented by the adaptation of wards in one or more hospitals where the patients can be treated.

There is active scientific research in the United States and in several European countries to quickly find an AIDS vaccine and medicine that can cure the disease. The same is true about herpes. So far neither has been achieved but there are daily reports on advances in the research. It would not be surprising if one day the good news came that a cure has been found for those who suffer from these two diseases.

It is not known if Guatemalan hospitals are up to date on medicines and treatments but, as we said above, the news is encouraging. Dr Martin Hirsch from Massachusetts General Hospital stated on 21 February that the drug AZT is "the only one clinically effective for the treatment of AIDS but a dozen other drugs, as good or better, are being worked on."

Hirsch (PRENSA LIBRE, 22 Feb, p 11) heads a program in four Boston hospitals where antiviral agents against AIDS are tested. The scientist added: "I have no doubt that there will be better drugs than AZT later."

The U.S. researcher made it clear that medicine does not cure the disease but "helps a lot." Another precaution that the Ministry of Public Health should take, if it has not already, is to obtain a good supply of those drugs in case they are needed when the country begins to feel the avalanche of returning countrymen impelled by circumstances. The College of Doctors and Surgeons should participate in this task or announce publicly that these fears are unfounded.

7717

CSO: 3248/242

ALLEGED SALE OF BABY ORGANS DEPLORED

Guatemala City PRENSA LIBRE in Spanish 6 Feb 87 pp 11, 14

[Alvaro Contreras Velez "Cacto": "Expensive Electricity, Grim Business with Children"]

[Text] 1. The government, mainly the Ministry of Economy, usually makes demagogic and spectacular announcements about attempts to combat "speculators and exploiters of the people." In other words, it is repeating what "Cacto" calls the tailoring job of taking measurements without ever making even the lining. The more measures taken against inflation, the more the cost of living increases.

Also there is more speculation on the consumer's needs for food, medicine, clothing, and school supplies. There is an increase in rent, public transportation, etc., without relieving the impoverishment and hunger of millions of Guatemalans at all.

This fallacious policy attacks the private sector with the intention of improving the deteriorating image of the current government. Obviously, to the degree that they talk more and do less, the tailoring operation makes them unpleasant and unpopular instead of providing any gains for them.

This ill will is aggravated by the fact that, with increased rates for public services like electricity, telephones, and water, the public sector--the most heartless and avaricious speculator and exploiter of the people--has had impunity for years.

The natural result of the increased electric rate--temporarily suspended--which is merely the sum of increase after increase has been massively expressed indignation and rejection, mainly because of the farce that it "will not affect consumption of less than 12.20 quetzales per month."

In fact, a chain reaction will make the poor and the rich pay an increase for every product and service. The price increases are provoked by the greed of what is called the "electrical sector," which is nothing other than a pseudonym for what we all know as a monopoly.

An announcement (PRENSA LIBRE, 5 Feb) for this electrical sector states that "the increase will not be more than 35 percent, not including the municipal rate or the VAT." What cynicism! That seems like little to them.

The serious part is that, although it seems little to them, it is too much for the consumer. The insistence on this increase that they will somehow manage to put into effect will mean one more time bomb added to the many that are already underground. An explosion would only prove once more that the idea that "the people will put up with anything" has a limit that today--with the poverty, unemployment, and popular discontent--seems to come closer every minute.

2. The news (PRENSA LIBRE, 5 Feb) about the most inhuman, foul, and grim business in Guatemala--and in Central America with a known background in Honduras--caused alarm and repugnance. It concerned the sale of children as raw material for transplants for children of wealthy Americans. In other words, these innocent Guatemalans are sold to be taken to an organ-supplying slaughterhouse.

According to the report, special agents of the Treasury Police rescued 14 children found in a house in Zone 11 of this city. Preliminary investigations established that the mothers, mostly single women who fell into the trap set by the "executives" and intermediaries of this criminal trade, were paid 250 quetzales per child. They are sold for \$20,000 per child in the United States.

The report adds that, based on established routine, the authorities are continuing to investigate in order to establish the identity of the "people" who buy and sell these children. Per usual, a second or third-rate agent was arrested but, it is logical to assume, it will be difficult or impossible to catch even one big fish.

The official bulletin is probably already being written to announce that "exhaustive investigations have been ordered and the most energetic measures will be taken to arrest those responsible and prosecute them to the fullest extent of the law."

If what always happens occurs--that it takes longer for the police to apprehend a criminal than for the courts to release him "for lack of evidence"--it would only be action No. 21,432 in the tailoring operation carried out by all Guatemalan governments.

Referring to hideous businesses with children, there should be an update about what happened some years ago with children from Japan, Korea, China, Thailand, Vietnam, Singapore, and other places in the Far East. They were murdered in order to use their bodies as "containers" for drugs being sent to European and U.S. markets.

The business was doing well until it was discovered by the police in an airport in those distant lands. They found that a baby, allegedly sleeping in the arms of its mother, was a corpse. When an autopsy was done, a considerable quantity of cocaine was found in its stomach.

What happens in Europe, Asia, or Africa is upsetting and infuriating, but not as much as something equal or worse that happens in Guatemala although, in the last 20 years, the people have become used to the most dreadful common and political crimes. Victims have been mutilated, castrated, brutally tortured, burned, and murdered.

However, the sale of children for "scientific" purposes as mentioned above must stop immediately. The parents who buy those organs to save the lives of their children are accomplices.

7717

CSO: 3248/241

NEW LAWS SOUGHT TO THWART ILLEGAL TRAFFICKING OF CHILDREN

Guatemala City PRENSA LIBRE in Spanish 17 Feb 87 p 10

[Editorial: "Need to Control Adoption Better"]

[Text] It was stated recently in press articles based on police reports that Guatemalan children are being sent to the United States as raw material for transplants to save the lives of U.S. children.

If the above were true, it would mean that Guatemalan children are being exported for butchering. That report has created truly tragic scenes in the minds of many readers in which children are sacrificed for the sake of other sick children or children with birth defects.

It is very hard for something like this to occur because life in the United States has many guarantees. It is inconceivable, therefore, that there could be a situation like this. The deliberate death of a child in order to use his organs for transplants is called homicide. Therefore, any person who participates directly or indirectly in that crime would be drastically punished under U.S. criminal law.

It should be understood that those hair-raising stories of children sent to slaughterhouses in the United States or any other country can only refer to clandestine activities. It would be absurd to think that this could be done legally. However, it is true that an international market for children is developing, aimed apparently at meeting the emotional needs of infertile men and women or those who have lost their own children. For some reason, these people cannot adopt children in their own countries.

Some time ago we published a report from Italy where a gang that trafficked in young children was captured. According to Italian authorities, several Guatemalans were among the children rescued. Assuming the Italian authorities are serious and believable, it is easy to reach the conclusion that there is an international market for children and that it has reached the underprivileged sectors of Guatemala.

It is necessary to differentiate the legal institution of the adoption of minors from the criminal sale of children. The first, as we said before, is one of the most noble creations of mankind. It benefits children who have

become orphans or whose parents, for certain reasons, cannot feed them, take care of them, or educate them. Adoption is, consequently, an almost sacred act to protect children so it deserves to be well protected by the law. In our opinion, one good way of protecting it is to rid adoption of unscrupulous people who can exploit it, not to fulfill its original objective but for personal profit. The international gangs of child traffickers have nothing to do with adoption and it is absolutely essential to fight them.

Last year distinguished American jurists interested in studying various topics related to adoption met in Caracas, Venezuela. We assume that this meeting and others that might be held in the future keep in mind how important this institution is.

The appearance of a clandestine traffic in children directly violates the ethical and legal principles adoption is based on. As the experts know, this is an institution which establishes civil parent-child relationships between two unrelated persons similar to those in a legitimate relationship. To a certain extent, it is a suitable way to correct errors of nature because it is usually said that adoption imitates nature. Therefore, the law establishes requirements concerning the age of the adopter, the difference in age between the adopter and the adoptee, the principle of unity of people, etc. However, if the children are taken from the country in order to put them in the hands of unknown persons who possibly do not meet the requirements of physical and mental health, to cite some of the more important ones, then the objectives of adoption cannot be fulfilled.

For all those reasons and many others that do not have to be repeated, we exhort the Bar Association, the Supreme Court of Justice, the Congress of the Republic, the Ministry of Government, and other appropriate entities to study essential modifications of existing laws on adoption and promote international controls that make it possible to establish whether the adopters of Guatemalan children fulfill the obligation of giving the adoptees the life that they deserve. The ideal would be to modernize existing international instruments or create new ones so that this control can be effective.

It has been said more than once that this control could begin with the establishment of a register of those who handle adoptions in response to requests from people who live outside the country. That might help keep the partners of "butchers" from becoming involved in adoptions.

7717

CSO: 3248/241

GUATEMALA

LAMPORT STATES DEMOCRACY 'GOOD FOR BUSINESS'

Guatemala City PRENSA LIBRE in Spanish 23 Feb 87 p 4

[Text] "The more the democracy is strengthened, the more chances we have to increase trade because the political instability in Guatemala, and Central America in general, was affecting our activity."

Mr Pedro M. Lamport, president of the executive board of the Guatemalan Chamber of Commerce, stated this during the press conference held last Friday night to report on the meeting of Latin American Chambers of Commerce that ended on 21 February in Guatemala.

All these problems that hindered us from increasing exports were also an obstacle to exploiting the Caribbean Basin initiative which exempts some products from this area from taxes when they enter the United States.

PRENSA LIBRE asked what risk the countries of the Caribbean Basin, specifically Guatemala, will run after the 7-year term expires because they have increased the export of products that enjoy this advantage and then encountered problems in exporting. Mr Lamport responded:

There is a risk that the term will not be extended and this could paralyze exports. Therefore, it is necessary to convince the U.S. Senate of the importance of legislation like the Caribbean Basin initiative. We need legal certainty in order to exploit it.

Mr Lamport also reported that, during the meeting held with his colleagues in preparation for the Sixth Hemispheric Congress of Latin American Chambers of Commerce and Industry, they decided to recommend a U.S. policy of more understanding toward Latin America as a conclusion of the meeting in Miami in September 1987.

Our informant said: "We have sought policies of trade liberation, economic reorganization, and a tariff policy for Guatemala in particular because only by eliminating these barriers can we progress and develop. About 45 percent of Guatemalan exports are sent to the United States. It was also reported that an increase of at least 10 percent is expected in the next 10 years."

7717

CSO: 3248/241

WORK OF ORGANIZING PSDH CONTINUES

National Executive Committee Installed

San Pedro Sula TIEMPO in Spanish 1 Dec 86 p 5

[Text] San Pedro Sula--Yesterday the first concrete steps were taken to form the ideological basis and the organic structure of what could become the PSDH [Social Democratic Party of Honduras]. Leaders and sympathizers of the movement appointed a national executive committee and approved the Declaration of Principles and Government Program.

They also collected 50 signatures of sympathizers, a legal requirement so that the National Elections Court would authorize its activity as a political movement, after request for permission.

With that authorization, the sympathizers could work to obtain 20,000 signatures of affiliates and form the 150 municipal councils that the Electoral Law requires in order for an organization to become a party.

The National Executive Committee is as follows: president, Jorge Yllezcas; secretary general, Amado Gomez; secretary for organization, Luciano Erazo; secretary for finances, Miguel Angel Funez; secretary for communications, Rene Vasquez; secretary for political training, Faustino Martinez; secretary for legal affairs, Virgilio Nunez; and secretary for international affairs, Alcidez Hernandez.

Others on the committee are: secretary for youth affairs, Aida Hernandez; secretary for rural and urban labor affairs, Jacinta Ruiz de Banegas; and secretary for business negotiations, Wilfredo Flores.

The new movement is based ideologically on the principles of Latin American social democracy. It includes former members of the liberal group M-LIDER and a few former members of existing parties, especially PINU [Innovation and Unity Party].

In his speech, Jorge Yllezcas defined the reasons for the new organization: "The chronic impoverishment of the masses is leading us to an inevitable (violent) revolution. The Honduran people have to rebel. We want to stop the political fighting in order to make economic and social transformations."

In another part of his speech, he criticized the traditional parties, saying that in 165 years the alternating governments have not been able to resolve the problems of the Hondurans. "The liberal doctrine that both share is worn out as an economic and political model."

As to possible criticisms that they are importing the social democratic ideology, Yllezcas said that they have analyzed and reconsidered the philosophy of patriots like Francisco Morazan and Jose Cecilio del Valle. He said that they had a liberal philosophy and "wanted to adopt a doctrine when our country was not ready for it."

He asked: "What isn't imported in Honduras?" He responded: "Liberalism was imported by our ancestors although they did not form the Liberal Party."

Defining the movement as "anti-imperialist" and enemies of the "CIA and the Pentagon represented by Reagan," he said that they want to maintain relations with the U.S., European, and Latin American workers. "We are friends of the Americans. We need their aid but not their intervention."

The PSDH proposes formation of a sole central organization of workers with ideological pluralism but "basically united. The peasants are divided into opposing organizations while their enemies are united in the most powerful union in this country: COHEP [Honduran Council for Private Enterprise]."

In the economic field, he said that they are against multinational companies because they plunder our wealth by obtaining profits of 4 lempiras for every lempira that they invest. "This is not true of purely Honduran enterprises."

The following were guests at the meeting that was held at the headquarters of the municipal union: Dr Juan Almendarez, Anibal Delgado Fiallos of the Patriotic Front, Francisco Jimenez of the Honduran Revolutionary Party in formation, and Carlos Sosa, Miguel A. Pavon, German Leitzelar, and Guillermo Casco Callejas from PINU.

Representatives of the General Central Organization of Workers, the National Central Organization of Rural Workers, and the National Association of Honduran Peasants also participated.

About 8 years ago, there was an attempt to form a political organization in this city tied internationally to democratic socialism. However, these efforts were not successful.

Following this attempt, the Revolutionary Party of Honduras--which still does not have a legal basis--was formed. More recently, PINU is trying to take its organization along the same social democratic road. So far those attempts have not been successful.

Formation of Municipal Committees

San Pedro Sula TIEMPO in Spanish 29 Jan 87 p 19

[Text] San Pedro Sula--The National Executive Committee and the Political Commission of the PSDH will work to organize 150 municipal committees in 1987.

That work to organize and train cadres will be carried out in the departments of Cortes, Santa Barbara, Copan, Atlantida, Colon, Yoro, Islas de la Bahia, Francisco Morazan, Comayagua, El Paraiso, La Paz, Choluteca, and Olancho.

The executive committee and the political commission met on 24 and 25 January in Omoa, Cortes, for that objective and to design the work program for this year, according to the secretary general of the PSDH, Amado Gomez Tercero.

Gomez Tercero said that they decided at that meeting to develop a nationalist and anti-imperialist political program. Gomez added: "The party is for having the U.S. troops leave, having Honduras leave Reaganism, and not following the dictates of the IMF."

Concerning the possibility of the PSDH participating in the 1989 general elections, Gomez Tercero said that this would only be possible in alliance with other sectors like the Christian Democratic Party and PINU.

The secretary general of the PSDH indicated that in order to achieve that alliance, it is necessary for the other sectors to be against traditionalism and support the anti-imperialist project that removes Honduras from the U.S. strategy of aggression in Central America.

The social democratic leader reported that on Thursday, 8 January, the National Elections Court was notified that a group of Honduran citizens is formally organizing the PSDH.

With that requirement fulfilled, they will begin to organize the municipal and departmental structures throughout the country and will obtain verification from municipal mayors and political governors testifying to the existence of municipal and departmental committees of the PSDH.

7717

CSO: 3248/189

BRIEFS

\$25 MILLION BCIE LOAN--The BCIE [Central American Bank of Economic Integration] will disperse approximately \$25 million (50 million lempiras) in the coming months for diverse projects that the Honduran Government will carry out, according to the president of this bank, Dante Gabriel Ramirez. The BCIE will continue supporting infrastructure programs this year, those that give incentives to the productive sectors of the country, and social projects. Ramirez announced that a credit project to organize workshops in the schools in the outskirts of the capital is now under study. In coming years, the BCIE will lean toward supporting another type of nontraditional development program since the infrastructure projects are mostly completed. Ramirez stated that the bank will not neglect the infrastructure programs since they are sources of jobs for many Hondurans and have impact on the labor force. However, they will aim more at the productive sectors. In conclusion, Ramirez stated that the BCIE is interested now in financing the interconnection between Honduras and El Salvador so that the former can sell surplus electrical energy to the latter and, at the same time, develop model villages in the most backward parts of the country. [Text] [Tegucigalpa LA TRIBUNA in Spanish 21 Jan 87 p 26] 7717

CSO: 3248/189

MISURASATA 'LEADER' ACCEPTS AMNESTY

Managua EL NUEVO DIARIO in Spanish 23 Jan 87 pp 1, 8

[Text] The Contras have planned a military offensive in March in order to boycott the dialogue process on the Atlantic Coast.

Jimmy Emery Hodgson, former top leader and founder of MISURASATA [Miskito, Sumu and Rama Sandinist Unity], revealed this. He recently returned under the Nicaraguan Government's Amnesty Law.

Approximately 7,000 men in the FDN [Nicaraguan Democratic Force] and KISSAN could participate in the operation and try to occupy Bonanza or Bluefields. Contra strategists feel that these would be the best places because they are mountainous.

He explained that the offensive is part of a global CIA plan to boycott the Autonomy Process of the Atlantic Coast. It wants to separate the region from Nicaraguan territory and form a government that permits direct U.S. intervention.

Speaking slowly and deliberately, the former counterrevolutionary leader explained his decision to return to the country. He indicated that he felt that there is no chance for victory and there was obvious corruption among the Contra leaders.

He indicated that he had to risk his life to return because the CIA opposes having refugees return, using misinformation, threats, and murder.

He personally was threatened by several counterrevolutionary leaders including Eden Pastora and Brooklin Rivera. He reported that Warin Tileth Figueroa paid David Rodriguez and Juan Zuniga--alias "El Diplomatico"--100,000 colones to assassinate him.

Hodgson stated that the MISURASATA ringleaders--whom he accused of having "a money mentality" and of making war a tax-free business--have signed agreements with the CIA.

The MISURASATA has received approval for \$5 million in aid to join the other armed groups. This money will be divided among Rivera's group to improve their standard of living.

Hodgson said that the few still in Rivera's group are demoralized because they are aware of the attitude of their leaders. There are some 400 Miskitos in Costa Rica and approximately 28,000 in Honduras. The majority are indecisive about returning due to the misinformation of the CIA.

Appealing to his fellow Miskitos to return to Nicaragua, the former Contra leader announced that he will soon visit the Atlantic Coast to join the Autonomy Process.

He revealed that he has faith in the Sandinist Government and that the revolution means a complete change in the way of life.

7717

CSO: 3248/190

CONSULTATIONS ON CONSTITUTION NOT 'REFERENDUM'

Managua BARRICADA in Spanish 26 Jan 87 p 7

[Text] Communique No. 2

The Press and Public Relations Office of the National Assembly explains the following to the people of Nicaragua concerning the information published in BARRICADA and EL NUEVO DIARIO on Thursday, 22 January, on Open Meetings:

1. The Political Constitution of Nicaragua was approved by the National Assembly last 19 November 1986 and promulgated by the president of the republic on 9 January 1987. Therefore, it is not subject to any type of subsequent approval like a referendum or any other type of consultation.
2. The statements of the president of the National Assembly in a meeting with the vice president of the Polish Diet on the Open Meetings merely reflect a proposal that has not yet been discussed. The basic objective would be to reveal to the people of Nicaragua the contents of the Political Constitution. Also the representatives of the National Assembly would present their Rendition of Accounts to the people.
3. This proposal to hold Open Meetings to reveal the Political Constitution to our people must also be discussed with the national government because its execution and compliance correspond to all state authorities, organizations, and officials. They must also watch that all our people know it and comply with it.

Managua, 22 January 1987
"No one surrenders here"

7717
CSO: 3248/190

PROBLEMS IN EDUCATION NOTED

1,700 Teachers Quit

Managua BARRICADA in Spanish 27 Jan 87 p 1

[Text] The resignation of teachers is a serious and complex problem that especially affects the quality of education. Guillermo Martinez, regional delegate of ANDEN [National Association of Nicaraguan Teachers], stated this when commenting on an article published in BARRICADA.

Martinez said that the teacher shortage is a problem that has become worse over the years, especially during the last school year when 1,700 teachers in Managua resigned.

The ANDEN leader stated: "The resignation of these teachers has repercussions on the quality of education. The vacancies are usually filled with inexperienced teachers who have not graduated. Therefore, the study programs fall behind."

He indicated that another serious problem in the educational system is the high faculty turnover. For example, last year in Managua there were more than 9,000 changes among the faculty of 7,500 teachers. He felt: "The resignation of teachers is not the only problem. The school system must be organized in a more stable way."

The future looks difficult. The number of students in the Alesio Blandon Normal School is expected to double compared to the previous school year. However, the regional delegation of the MED [Ministry of Education] has not yet met the demand for more teachers in that specialized institute.

Deterioration of School Buildings

Managua BARRICADA in Spanish 26 Jan 87 p 1

[Article by Roberto Fonseca]

[Text] The obvious deterioration of the physical installations of the schools and the shortage of teachers in sensitive areas like mathematics, physics, and

chemistry are some of the more serious problems that the students will face in the school year that begins on 9 March.

In a brief tour, BARRICADA verified that the schools are rapidly deteriorating. Among many other things, locks are missing from the doors, the bathrooms are closed, and glass panes are missing. The most unfortunate aspect is that these things have deteriorated because of irresponsible students.

Nidia Lopez, assistant regional delegate of the MED in Managua, pointed out: "Bathroom fixtures are missing, the valves on the drinking fountains are stolen, and the locks on the doors and glass panes disappear." She added: "Replacements cost a lot of money. No matter how much is invested in the schools, they always take these things."

The problem becomes more acute if we consider that there are more than 680 primary, secondary, and technical schools in Managua. The proposed budget of 6 billion cordobas does not include funds for school repairs. She added: "The MED will only invest in the repair of 10 institutes. Therefore, the educational community must help take care of its assets."

Student Population Figures

Managua BARRICADA in Spanish 26 Jan 87 p 5

[Text] This school year there will be more than 300,000 adult technical, general basic, and preuniversity students. That is 70,000 more students than last year. Material and educational resources are needed.

Nidia Lopez, assistant regional delegate of the MED, indicated: "We believe there will be a noticeable growth in enrollment, especially in the first years of primary and secondary education." Based on the pre-enrollment, the increase could be about 70,000 students but the number of teachers will be the same as last year.

"We start with the same number of teachers: some 7,500 teachers in the three educational subsystems." The human resource problem means vacancies in sensitive areas like physics, chemistry, and mathematics as well as technical careers.

She indicated: "Another problem is the high faculty turnover. Teachers leave their jobs without giving notice and, in some schools, the students spend up to 3 months without being taught a particular subject." This naturally has repercussions on school dropout rates and low academic performance. According to information from the MED, most of those who fail are studying physics, mathematics, and chemistry.

The official stated: "We hope that the number of teachers will increase through incentives for qualifications and seniority." Last year ANDEN summoned all the retired teachers to sign up before March in order to meet the needs for the school year.

Millions to Repair Electric System

The growing deterioration of the physical installations of the schools is not a problem of the MED but of the educational community. She stated: "As an institution, we cannot physically repair the installations." Each school represents millions of cordobas. She said that sometimes it costs 10 million cordobas just to repair the electric system.

This year the MED has proposed repairing 10 institutes with high enrollment including the Maestro Gabriel, the Normal, the Oscar Rene Mejia, and the Ramirez Goyena. There are 686 schools in Managua, 310 of which are primary schools. However, the highest level of deterioration occurs in the secondary schools.

The shortage of desks is another major problem. At the beginning of the last school year, 80,000 were needed. By the end of the year, only 20,000 had been repaired.

Other limitations are the shortage of student textbooks and complex instructions for the teachers. However, it is hoped that there will not be any problems in the supply of notebooks, pencils, and pens, according to the assistant regional delegate of the MED.

300 Million for the Rigoberto

The Rigoberto Lopez Perez Institute has a student population of more than 2,000 in its 25 classrooms which operate on two shifts. However, it functions at half its capacity. Another 25 sections are abandoned because they are not in condition for educational use.

Wilfredo Acosta, secondary director of the institute, indicated: "The repairs that the school needs to function at full capacity would cost 300 million cordobas." He added: "We have not received any budget for repairs since 1981; all the expenses are paid for by the educational community. In 1986, 12 million were invested in repairs alone."

7717

CSO: 3248/192

CANADIAN 'FARMERS FOR PEACE' DONATION

Managua EL NUEVO DIARIO in Spanish 25 Jan 87 p 4

[Article by Felix Rivera]

[Text] Jinotega--The Canadian organization "Farmers for Peace" brought a large donation worth \$40,000 to this department on 18 January.

It consisted of wood, special cement, clothes, shoes, spare parts, pipes, 1,200 zinc plates, tires, transformers, power saws, sets of wrenches, other tools, lubricants, and sheets of plywood. Part of this donation will go to the Jinotega mechanical shop.

Another part of the donation will be delivered to a cooperative in Mancotal and others located in Achuapa and Masaya, according to Grant Bablitz, representative in Nicaragua for "Farmers for Peace."

Grant also announced that they have constructed two mechanical shops in Rivas and Jinotega equipped with sophisticated instruments like drills, lathes, and containers.

He said that three donations of medicine, surgical instruments, and other equipment have been made to the local Amin Halum Hospital. In Esteli they are collaborating on the genetic improvement of the goat herd. They brought 42 goats from Canada.

Bablitz noted: "We feel great fraternity with this people. We also feel the effects of U.S. imperialist aggression. Therefore, we are contributing to the development of this country without politically influencing anyone."

One cooperative located in the Mancotal district of Jinotega Department is being helped with a tractor, promotion of a potable water project, housing construction, development of the dairy and swine herd, and renovation of agriculture in addition to the acquisition of agricultural equipment and machinery by "Farmers for Peace."

Grant indicated that, in Canada, they have already collected every type of tool and the infrastructure needed to assemble a carpentry shop, a sawmill, and a sewing collective. They have acquired 100 sewing machines and supplies

like fabric, thread, and needles. Bablitz noted that all this will arrive in Nicaragua, possibly in April.

The donation they brought on 18 January includes the physical infrastructure to construct a poultry farm in Achuapa, according to the representative of "Farmers for Peace." He noted that three projects will begin soon in Jinotega.

These are the construction of a store in the Amin Halum Hospital, a training auditorium in the MIDINRA [Ministry of Agricultural-Livestock Development and Agrarian Reform] shop, and expansion of the preschool building in the Pedro Estrada colony. They are also studying the possible installation of a brick factory for the settlements.

Meanwhile, a brigade of the "Farmers for Peace" was at the Las Rosas UPE [State Production Unit] of the Chale Haslam enterprise in Matagalpa to participate in the ribbon-cutting ceremony.

Fred Miller, an Anglican priest, stated: "I really wanted to come to Nicaragua." He indicated: "I am well informed about the reality of this country because I listen to the bulletins of a radio station in Kansas City that monitors The Voice of Nicaragua."

Miller, representative in Toronto of the Canadian nongovernmental organization, stated that what has most impressed him is "the courage and firmness of the people who advance in the midst of so many problems. A meeting with the mothers of martyrs and participation in one of the vigils in front of the U.S. Embassy in Managua are some impressions that I will never forget."

7717

CSO: 3248/190

BRIEFS

MANAGUA CENSUS RESUMED--MINVAH [Ministry of Housing and Human Settlements] will resume a house-by-house census project in Managua "to establish who paid for their houses--in settlements, for example--and then sold them for 2, 3, 4, or even 10 million cordobas." This was announced by Auxiliadora Reyes, Regional III Delegate of MINVAH. She added that this ministry is trying to stop the usurious housing business in the capital. She noted that MINVAH will coordinate this work with the Neighborhood Executive Committees (CDS [Sandinist Defense Committees]) which know in detail how some residents have made their old housing big business. She stated that MINVAH will again begin to deliver deeds in participating divisions, specifically in districts like El Eden, Costa Rica, Bertha Diaz, and Catorce de Junio. After questions from clients, Auxiliadora reported that the 1987 payment books have not yet been issued. For this reason, MINVAH clients have received cash receipts for their payments. According to her, there have been delays due to the personnel turnover and people mobilized "which make it necessary to train personnel in the ministry." That is how she explained the problem of the payment books. [Text] [Managua BARRICADA in Spanish 15 Jan 87 p 5] 7717

CSO: 3248/190

REPORT ON DANISH VESSEL 'PIA VESTA' COMPLETED

Details of Report

Lima EL COMERCIO in Spanish 16 Jan 87 pp A-1, A-4

[Text] The Naval Intelligence Service knew about the "Pia Vesta" in May 1986, according to the conclusions of the Senate Investigating Committee. Its final report was presented to the president of the Senate, Armando Villanueva del Campo, yesterday.

After presenting the document signed by all the members of the committee, Javier Silva Ruete, the committee chairman, said: "The Danish ship should have been detained the minute it came to Callao. It never berthed in the port and, therefore, the arms were never unloaded in Peru."

He acknowledged that the ship was only 60 miles outside the port of Callao and that former military people were involved.

Silva Ruete said that, in the committee's opinion, this operation was mounted by foreign intelligence services.

He said: "We cannot pinpoint which country because every country has many intelligence organizations."

International arms traffickers also participated in the operation.

The final destination of the arms was a Central American country that is now in conflict. The intermediate destination was Peru where a "triangulation" operation was going to be carried out.

In other words, the arms came to our country and were reshipped from a Peruvian port.

The legislator asked: Why Peru? He answered: For a very simple reason. There are three countries in Latin America that have socialist weapons: Cuba, Nicaragua, and Peru. He said that, because of the plurality of the system, an operation of that nature was much easier.

Senator Javier Silva Ruete, chairman of the committee that investigated the Danish ship "Pia Vesta," indicated yesterday that some mistakes have been detected in the procedure that officials of the GDR enterprise Imex carried out. However, he indicated that there is no government responsibility for the arms smuggling in the GDR, the United States, or any other country."

[Question] Is there responsibility by any institution?

[Answer] No institutions. There are some former military people who seem to be involved. We do not have definite proof, but they are mentioned in the report. I cannot give you names.

[Question] When was the ship detected in Peruvian waters?

[Answer] The ship was in Peruvian waters on 9 June when it was 60 miles from Callao.

[Question] But when did they know about the ship?

[Answer] They knew about the ship in May through the Naval Intelligence Service. Instructions were given that the ship be detained the minute it came to the port. However, the ship never berthed in the port. These are some aspects that we mention in the report.

[Question] How many people are definitely involved?

[Answer] One customs agency is involved because it falsified documents. There is also an Italian who was the contact in Peru but he is in Italy now. His participation is proven. There are only reasonable indications about others, but we do not have proof. Four or five people are indicated but there might be more when judicial investigations begin.

It is a 28-page report but there are another 13 folders with documents like confessions, cassettes, and other evidence.

[Question] When did the president of the republic know?

[Answer] Unfortunately, he learned about it after the ship had already left the country. He immediately called Panama and made them detain it.

[Question] Does this mean that the intelligence service denied him the information?

[Answer] It did not deny him it; it simply did not inform him.

[Question] Was the intelligence service negligent?

[Answer] In the report we indicate in detail everything that happened, the investigations that should be carried out, and the responsibilities that should be looked into pertaining this subject.

[Question] Is there responsibility on the part of the former minister of the presidency?

[Answer] No, not at all. He learned of it and called the deputy minister of interior who called the commander general of the Navy.

Silva Ruete denied that the committee had worked slowly. He pointed out that it was appointed on 14 August 1986 and, in 4 months, released the final report.

He said: "It has worked faster than any committee in the history of the National Congress. It has had to carry out investigations in seven countries and committee members had to go to the United States and Panama."

He indicated that the investigation has also been carried out through our embassies in Switzerland, Great Britain, the United States, Italy, France, Uruguay, and other countries.

Criticism of Report

Lima EL COMERCIO in Spanish 22 Jan 87 p A-6

[Text] Six bills of lading and freight manifests were drawn up in the "Pia Vesta" arms smuggling operation from the time it sailed from the ports of Svendborg (Denmark) and Rostock (East Germany) until it was detained in Panama, according to the final report of the Senate committee that investigated the case.

Two of those documents have Callao as landing port while El Salvador is listed as consignee in three of them.

The first of the manifests signed by the ship captain is dated 30 April 1986 and has Callao as landing port.

Documents Drawn Up in Peru

Two of these documents, according to the report of Silva Ruete's committee, were drawn up in Peru: the fourth sent by Alberto Coppo to Emilio Ortiz de Zavallos and the sixth drawn up by Resa S.A. of Callao.

The final report also states that it is proven that Emilio Ortiz de Zavallos received the freight manifest from Captain Chistensen in the presence of the representative of the Boyd Steam Ship Shipping Agency. At the same time, Ortiz de Zavallos acknowledged a new bill of lading which listed Rutland Investment Corporation as shipper and the Armed Forces of El Salvador, represented by General Adolfo Blandon, and the Techisa firm as consignees.

This was verified in the statements received by the members of the investigating subcommittee who went to Panama City.

This same subcommittee received a copy of the logbook for 8 and 9 June which reveals that on 9 June the "Pia Vesta" was 107 miles from Huacho and received orders from Saship to change route to Balboa and unload at that port.

The report also indicates that it is proven that, on 10 June 1986, the Resa Maritime Agency drew up a document signed by manager Ricardo Arce Adrianzen stating the following:

- 1) Bill of lading in the Gran Colombiana Merchant Fleet format as if the "Pia Vesta" had landed in Callao.
- 2) A sworn statement certifying that the cargo would be shipped from Callao.
- 3) A manifest changing the destination of the cargo from the port of Callao to the port of Balboa.
- 4) A letter addressed to the Department of Warehouse Control of the Callao Maritime Terminal which corrects the destination of the ship.

Document by Air

On 13 June, Alberto Coppo sent "very urgent" documents by air to Emilio Ortiz de Zevallos referring to the "Pia Vesta." They were drawn up by Resa in Callao and accompanied by a handwritten note indicating, among other things, that the ship did not reach Callao.

That note, according to the final report, emphasized the fact that the health permit was complete as were the other documents for departure from Callao and that the documents of "arrival" must be drawn up by Boyd Steam Ship Co. in Panama.

Joint Conversation

The report states that it is proven that there are obvious differences between the written text supplied by the General Command of the Navy and the tape obtained by the investigating subcommittee that went to Panama and Miami concerning the joint conversation held by David Duncan, Emilio Ortiz de Zevallos, and Alberto Coppo. These differences concern the names of the people in Peru who participated in the "Pia Vesta" operation.

Only one name appears in the first text: Nico. Nicolini and Santiesteban appear in the second, spoken by David Duncan himself.

The videocassette filmed by the naval attache from Peru to the "Pia Vesta" in Panama proves that the packages have been repainted in order to obliterate the original names and labels.

Telex, Memos, Commercial Contacts

It is proven that Emilio Ortiz de Zevallos acted simultaneously as commercial representative of SIMA [Maritime Industrial Service] and sales agent for

General Equipment (whose top executive is David Duncan) with the Peruvian Navy.

It is also indicated in the report that between 16 May 1984 and 20 March 1986 nine Telex messages, two memos, and two letters passed between David Duncan, Patricio Genty, and Emilio Ortiz de Zevallos and the executive director of SIMA, the general command of the Navy, and the Second Naval Zone of the Navy concerning the sale of the destroyers "Palacios" and "Ferre."

Unproven

According to the final report, it is not proven that the "Pia Vesta" unloaded part of its cargo in any Peruvian port because the freight manifest that the firm Veg Schiffsmaklerei Agency Rostong issued shows that the ship sailed from that port with 204,300 kilos. When it was detained in Panama, it had the same cargo weight.

It is also not proven that the Ministry of War and its branches have had commercial relations with the General Equipment Company concerning the purchase of arms this year (1986).

Neither is it proven that the Ministry of Aeronautics and its branches have maintained commercial relations with that firm.

Further Details, Criticism

Lima EL COMERCIO in Spanish 23 Jan 87 p A-8

[Text] There are now four charges before the Callao Court for the crime of falsification of documents in the "Pia Vesta" case. However, this can increase as the investigations advance.

According to what was reported yesterday in judicial circles in Callao, the provincial criminal prosecutor of Callao, Dr Martin Retamozo Roca, is still analyzing the documentation and waiting for the report of the Senate Investigating Committee headed by Javier Silva Ruete before continuing with the case.

According to sources, it is still premature to speak of arrest warrants because the judge is studying the documentation. They reported that there will be news on this in coming weeks.

How Did Coppo Leave?

With the report of the Senate committee and others of the Navy and the Foreign Ministry that were provided by the attorney general, the prosecutor "specially commissioned" in July to work on the case could deduce the participation of other people.

Reliable sources said that it must also be learned how citizen Alberto Coppo could leave the country without passing through the register of the Migration Office. It is known when he entered but not how he left.

Serious Situation of Charges

As we reported yesterday, the prosecutor has criminally charged four people allegedly responsible for the arms smuggling case of the Danish ship "Pia Vesta" for crimes against public faith through falsification of state documents.

They are U.S. citizen David Duncan and Peruvians Alberto Coppo Gayoso-- unquestionably guilty--Ricardo Arce Adrianzen, and Nora Samanamud.

It is said that the documents the judge has show that Adrianzen, manager of a customs agency, knew of the arms smuggling and is directly involved in the case, as is Samanamud.

7717

CSO: 3348/192

THIRD ESTEBAN PAVLETICH YOUTH BRIGADE LEAVES FOR NICARAGUA

Lima EL NUEVO DIARIO in Spanish 9 Jan 87 p 2

[Text] Today the members of the Third Esteban Pavletich International Youth Brigade leave for Nicaragua to show solidarity by helping in the coffee harvest of this Central American country which is being attacked by Yankee imperialism.

Santiago Rosales, general coordinator of the Esteban Pavletich Brigade, said that this is the third time Peruvian youths have gone to help Nicaragua politically. They went in 1980 to participate in literacy programs, in 1985 to help in the coffee harvest, and this year to again help in this work.

Santiago Rosales stated: "The members (18 in all) of this third brigade will stay in the northeastern zone of Nicaragua for 2 months. They will work on the coffee harvest. The youths who go are volunteers and represent different student organizations of Peru and are members of different leftist political parties."

It should be pointed out that this year representatives of 60 countries in the Federation of Youths in International Brigades headquartered in Hungary will meet in that Central American country.

Santiago Rosales revealed that the brigade members are ready to give their lives because "it is necessary for Nicaragua to survive. Only by incorporating zones that were considered inaccessible to production will this fraternal nation manage to defeat U.S. imperialism. The task is difficult but not impossible."

One brigade member, Noe Romo, stated that he will go happily because the support that they will give will be real support, not just words. Romo is a university student and a member of the UDP [Popular Democratic Union]. His words as he left were: "I am going to fight for peace and the survival of Nicaragua."

The general coordinator of the Esteban Pavletich Brigade thanked the popular university organizations for the solidarity and support they have offered the members of that brigade.

BRIEFS

WFTU HONORS CGTP LEADER--Yesterday the WFTU for Latin America presented the medal of honor to the well-known union leader Isidoro Gamarra Ramirez, president of the CGTP [General Confederation of Peruvian Workers], for his work as union fighter for more than 50 years. The secretary general of the WFTU for Latin America, Mario Navarro, a Chilean, pointed out the work done by Gamarra throughout his life. He has dedicated himself to obtaining better working conditions for the workers of our fatherland. Navarro revealed: "I bring fraternal greetings from more than 260 million workers affiliated with our organization throughout the world to this illustrious man who has distinguished himself in the union struggle and is considered one of the greatest fighters in Peru, America, and the entire world." Navarro remarked: "This medal of honor that we present today represents the recognition of thousands of workers to this union leader, a man who has devoted most of his life to the search for a more just society with solidarity and a man who has suffered years of imprisonment, torture, and repression for an ideal which he has never doubted." The ceremony was held in the CGTP building and was attended by many political leaders including: IU [United Left] Senator Valentin Pacheco; secretary general of the CGTP, Gustavo Mohme Llona; Jorge del Prado, secretary general of the Peruvian Communist Party; deputy Guillermo Herrera Montesinos; secretary general of the CTP [Confederation of Peruvian Workers], Julio Cruzado Zavala; and many union leaders from different unions in our fatherland. [Text] [Lima EL NACIONAL in Spanish 21 Jan 87 p 6] 7717

TRACTORS FOR HUANCAMELICA--The minister of the presidency, Nicanor Mujica Alvarez-Calderon, delivered 20 tractors yesterday to the president of the Departmental Development Corporation, Mauro Huaroto Atunga. They will benefit 20 peasant communities in Huancamelica. Mujica pointed out that this signified a great technological leap that will benefit the peasantry because these tractors will make it possible to increase their agricultural productivity and, therefore, raise the standard of living of the inhabitants of that zone. He indicated that this contribution to Huancamelica agriculture came about through the compensated trade agreement between Peru and Romania signed in April 1986. Also Minister Mujica revealed the theft of a shipment of parts and tools for these tractors from Romania. The minister of the presidency stated: "We will proceed to formulate the corresponding criminal charge to find the perpetrators of the crime. Bad elements in Callao customs cannot steal with impunity in this country and not receive the punishment that they deserve." [Text] [Lima EL COMERCIO in Spanish 16 Jan 87 p A-4] 7717

CONSTITUTIONAL COURT APPOINTMENT--Dr Hector Abelardo Centurion Vallejo was appointed by the Executive Branch to the Court of Constitutional Guarantees to replace Dr Nicanor Silva Salgado. Dr Centurion Vallejo, a lawyer and former judge, is a writer and historian who has done major research on Peru, especially Trujillo. He has been president of the Public Welfare Society of La Libertad. [Text] [Lima EL COMERCIO in Spanish 22 Jan 87 p A-4] 7717

CSO: 3348/192

- END -

END OF

FICHE

DATE FILMED

16 July 1987